

**QUARTERLY FEDERAL COURT
LITIGATION STATUS REPORT**

Office of the General Counsel
Bureau of Competition
Bureau of Consumer Protection
Regional Offices

March 31, 2000

No. 64

TABLE OF CONTENTS

SUMMARY OF CASES	ii
PETITIONS FOR REVIEW	1
A) Orders to Cease and Desist	1
B) Rulemakings	3
INJUNCTION AND CONSUMER REDRESS CASES	4
A) Preliminary Injunctions (Mergers/Acquisitions)	4
B) Preliminary Injunctions (Other)	5
C) Permanent Injunctions/Consumer Redress	6
CIVIL PENALTY AND ENFORCEMENT CASES	63
A) Consumer Protection	63
B) Competition	77
SUBPOENA AND CID ENFORCEMENT PROCEEDINGS	78
SUITS TO ENJOIN FTC ACTION AND OTHER DEFENSIVE LITIGATION	79
AMICUS CURIAE BRIEFS	82

SUMMARY OF CASES

	D. Ct.	Ct. App. ¹	S. Ct.	Total
PETITIONS FOR REVIEW		3		3
INJUNCTION AND CONSUMER REDRESS CASES	86	9		95
CIVIL PENALTY AND ENFORCEMENT CASES	39			39
SUBPOENA AND CID ENFORCEMENTS		1		1
SUITS TO ENJOIN FTC ACTION AND OTHER DEFENSIVE LITIGATION	1	2		3
AMICUS CURIAE BRIEFS		2		2
TOTALS	126	17	0	143

¹ Includes all cases in which appellate proceedings have taken place during the reporting period or are pending; these cases are not counted in the District Court column, even if such proceedings are going on simultaneously.

PETITIONS FOR REVIEW

A) Orders to Cease and Desist

CALIFORNIA DENTAL ASS'N v. FTC, No. 97-1625 (S. Ct.); No. 96-70409 (9th Cir.)

Parties: California Dental Association
Amici supporting CDA:
American Dental Association
National Society of Professional Engineers
American Society of Association Executives
American Medical Association
American Psychiatric Association
National Association of Social Workers
National Association of Realtors
National Collegiate Athletic Association
American College for Advancement in Medicine
Amici supporting FTC:
States of Arizona, Arkansas, California, Connecticut, Delaware,
Florida, Idaho, Illinois, Iowa, Maryland, Michigan, Minne-
sota, Mississippi, Nevada, New Hampshire, North Carolina,
Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island,
Tennessee, Utah, Vermont, Washington, West Virginia, and
Wisconsin; and the Commonwealth of Puerto Rico
Consumer Dental Choice Project of the National Institute for
Science, Law and Public Policy, Inc.

Assigned Attorneys: John F. Daly (OGC)
Michael S. Fried
Elizabeth R. Hilder (BC)
Paul Wolfson (DOJ/OSG)
Lawrence Wallace

Nature of Action: Petition to review FTC's order to cease and desist from restraints on
advertising by dentists.

Status: Petition for review filed 5/20/96.
Court of Appeals decision affirming and enforcing, entered 10/22/97.
Petition for rehearing and suggestion of rehearing en banc denied 1/28/98.
Petition for certiorari filed 4/3/98; opposition filed 6/1/98; certiorari
granted 9/29/98.
Oral argument held 1/13/99.
Supreme Court opinion, unanimously upholding the FTC's

jurisdiction over nonprofit professional associations but vacating and remanding to the Court of Appeals, entered 5/24/99.
Commission's motion to remand the case to the Commission filed 7/29/99; opposition filed 8/20/99; denied by Court of Appeals, 9/10/99.
Supplemental briefing ordered by Court of Appeals, 11/10/99.
Commission and CDA filed supplemental briefs, 12/20/99.
Commission and CDA filed reply briefs, 1/10/00.
Argument scheduled for 4/19/00.

NOVARTIS CORP. v. FTC, No. 99-1315 (D.C. Cir.)

Parties: Novartis Corp.
 Novartis Consumer Health Inc.

Assigned Attorneys: John F. Daly (OGC)
 Michael S. Fried

Nature of Action: Petition for review of FTC's order finding that the plaintiff has engaged in deceptive advertising and requiring corrective advertising for a period of up to five years.

Status: Petition for review filed 8/2/99.
 Appellants' brief filed 10/22/99.
 Amicus briefs filed by the Washington Legal Foundation and Grocery Manufacturers of America, 10/29/99.
 Commission's brief filed 11/22/99.
 Argued 2/8/00.

TOYS “R” US v. FTC, No. 98-4107 (7th Cir.)

Party: Toys “R” Us, Inc.

Assigned Attorneys: Leslie R. Melman (OGC)
John F. Daly
David C. Shonka
Richard B. Dagen (BC)
L. Barry Costilo

Nature of Action: Petition for review of FTC’s final order to cease and desist from taking various actions in restraint of trade with respect to toy discounters.

Status: Petition for review filed 12/7/98.
Emergency motion for stay pending appeal filed 12/7/98; FTC’s opposition filed 12/14/98.
Order denying stay entered 12/31/98.
Petitioner’s brief filed 2/26/99; petitioner’s amended brief filed 3/1/99;
FTC brief filed 4/13/99; petitioner’s reply brief filed 4/27/99.
Petitioner’s motion asking court to take notice of new market share data filed 4/28/99; FTC’s opposition filed 5/5/99; order denying the motion entered 5/16/99.
Argued 5/18/99.

B) Rulemakings

(None pending)

INJUNCTION AND CONSUMER REDRESS CASES

(A) Preliminary Injunctions (Mergers/Acquisitions)

FTC v. BP AMOCO, PLC., No. C00416 (SI) (N.D. Cal.)

Parties: BP Amoco, P.L.C.
Atlantic Richfield Company

Assigned Attorneys: Molly S. Boast (BC)
Phillip L. Broyles
Joseph S. Brownman
David C. Shonka (OGC)

Alleged Conduct: Violation of Sections 7 and 11 of the Clayton Act, arising from the merger of two petroleum companies.

Status: Complaint filed 2/4/00.
Order staying all further proceedings pending settlement discussions,
entered 3/30/00.

FTC v. TENET HEALTHCARE CORP., No. 98-3123 (8th Cir.); No. 1:98 CV 00040 CDP
(E.D. Mo.)

Parties: Tenet Healthcare Corp.
 Poplar Bluff Physicians Group, Inc., d/b/a Doctors Regional
 Medical Center

Assigned Attorneys: David R. Pender (BC)
 Garry R. Gibbs
 Elizabeth R. Hilder
 John F. Daly (OGC)
 Leslie R. Melman
 Jon Miller Steiger

Alleged Conduct: Violation of Section 7 of the Clayton Act, arising from the merger of two
 hospitals.

Status: Complaint and motion for preliminary injunction filed 4/17/98.
 Preliminary injunction granted 7/30/98.
 Notice of appeal filed 8/10/98; appellants' brief filed 9/15/98; FTC brief
 filed 10/13/98.
 Appeal argued 12/14/98.
 Court of appeals order reversing preliminary injunction against Tenet
 entered 7/21/99.
 FTC petition requesting rehearing en banc filed 9/4/99.
 Motion of St. Louis Business Health Coalition for leave to file an amicus
 brief filed 9/7/99; denied 9/21/99.
 Appellant's response to petition for rehearing en banc filed 9/20/99.
 Motion for rehearing en banc denied by order entered 10/6/99.
 Motion to stay the issuance of the mandate pending the disposition of a
 petition for certiorari to the Supreme Court filed by the
 Commission, 10/8/99.
 Motion denied 10/21/99.
 Motion for stay of mandate filed by the Commission in the Supreme
 Court, 10/26/99.
 Motion denied by Justice Thomas, 10/27/99.
 Motion to dismiss administrative complaint approved 12/23/99.

(B) Preliminary Injunctions (Other)

(None pending)

(C) Permanent Injunctions/Consumer Redress²

FTC v. 1263523 ONTARIO, INC., No. 99 CV 8679 (S.D.N.Y.)

Parties: 1263523 Ontario, Inc., also d/b/a Consumer Credit Services
Lloyd C. Prudenza
David S. Wells
Donald M. Davies

Assigned Attorney: Carole Paynter (NER)

Alleged Conduct: Deceptive practices in connection with the telemarketing of advance fee credit cards in violation of Section 5 and the Telemarketing Sales Rule.

Status: Complaint filed 8/5/99.
TRO with asset freeze entered 8/9/99.
Commission's motion for default against the defendants filed 3/1/00.

FTC v. 2EXTREME PERFORMANCE INTERNATIONAL, No. JFM 99CV 3679 (D. Md.)

Parties: 2Extreme Performance International
John T. Polk
Patrick Farah
Peter Hirsch
Usasurance Group, Inc.
Akahi Corp.
Akahi.com, Inc.
AFEW, LLP

Assigned Attorneys: Mona S. Spivak (BCP/MP)
James Kiminski

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with a pyramid scheme.

Status: Complaint and motion for preliminary injunction filed 12/9/99.
Stipulated preliminary injunction as to defendant Hirsch filed 1/24/00;
entered 1/27/00.
Stipulated preliminary injunction as to defendants Polk and AFEW filed
2/25/00; entered 2/28/00.
Preliminary injunction as to remaining defendants entered 2/25/00.

² Unless otherwise noted, cases involve suits for permanent injunction and other equitable relief. Post-judgment proceedings in district court are not generally reported.

FTC v. ADVANCED PUBLIC COMMUNICATIONS CORPORATION, No. 00-00515-CIV-
UNGARO-BENAGES (S.D. Fla.)

Parties: Advanced Public Communications Corporation
 Michael Portman
 John Taylor
 Michael Davis

Assigned Attorneys: Karen Leonard (BCP/MP)
 Peter Lamberton

Alleged Conduct: Violations of Section 5 and the Franchise Rule in connection with
 marketing and sale of payphone business ventures.

Status: Complaint filed and ex parte TRO with asset freeze entered 2/7/00.
 Stipulated preliminary injunction filed and entered 2/16/00.

FTC v. AFFORDABLE MEDIA, LLC, No. 98-16378 (9th Cir.); No. CV-S-98-669-LDG (RLH)
(D. Nev.)

Parties: Affordable Media, LLC Ruth Stein, a/k/a Ruth Garcia
 Financial Growth Consultants, LLC Denyse Lindaalyce Anderson
 Sterling Multi-Media Co. Michael K. Anderson
 Venture Capitalization Co. George John McWilliams
 Eric Steven Stein Edward James Hally
 Ina Liberty Bell

Assigned Attorneys: Gregory Ashe (BCP/ENF)
 Michael S. Fried (OGC)
 Blaine T. Welsh (AUSA)

Alleged Conduct: Telemarketing fraud amounting to a Ponzi scheme, involving the sale of
 “media units” ostensibly representing television commercials.

Status: Complaint filed and TRO entered 4/23/99.
 Preliminary injunctions entered as to all defendants, 5/8/98 and 5/22/98.
 Anderson defendants found in contempt as to foreign assets, 6/4/98.
 Anderson defendants taken into custody due to contempt, 6/17/98.
 Notice of appeal filed (by Andersons) 7/21/98; appeal argued 1/13/99;
 decision affirming the district court’s preliminary injunction and
 contempt order as to Andersons entered 6/15/99.
 Motion for entry of default against defendants E. Stein and Affordable
 Media, filed 12/28/98; judgment by default entered 2/2/99.
 Chapter 13 bankruptcy filed by defendants Bell and R. Stein, 2/10/99; FTC
 motion to dismiss or convert to Ch. 7 proceedings, filed 3/26/99;
 order granting FTC’s motion to dismiss entered 5/27/99.
 Stipulated final judgment and permanent injunction (including bond
 provision) as to defendants McWilliams, Hally, Venture
 Capitalization, and Sterling Multi-Media entered 3/19/99.
 Motion for summary judgment as to remaining defendants filed 3/15/99.
 Stipulated final judgment (including bond provision) as to defendants Bell
 and R. Stein filed 6/16/99; entered 6/18/99.
 Motion to modify preliminary injunction to allow Andersons’ assets to be
 frozen in the Cook Islands as an alternative to repatriation, in
 response to order of the High Court of the Cook Islands freezing
 such assets, filed 9/23/99.
 Order granting motion to modify preliminary injunction, and purging the
 Andersons of contempt, entered 9/23/99.
 Order granting motion for summary judgment as to the remaining
 defendants entered 3/20/00.

FTC v. ALFA SCIENTIFIC DESIGNS, INC., No. 00 CV 81 BTM NLS (S.D. Cal.)

Party: Alfa Scientific Designs, Inc.

Assigned Attorneys: Darren A. Bowie (BCP/AP)
Karen Jagielski
D. Michael Waltz (AUSA)

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 in connection with the marketing and sale of HIV test kits.

Status: Complaint filed 1/13/00.
Stipulated preliminary injunction filed 1/13/00; entered 2/7/00.

FTC v. ALL AROUND TRAVEL CLUB, INC., No. 99-7001-CIV (S.D. Fla.)

Parties: All Around Travel Club, Inc.
Century Financial Group, Inc.
Michael Mansueto
Douglas Baetz
Glenn Gallant

Assigned Attorney: Kristin Malmberg (SWR)

Alleged Conduct: Deceptive practices in the marketing of travel club memberships and unsecured credit cards.

Status: Complaint and motion for preliminary injunction filed 8/2/99.
Hearing on motion for preliminary injunction held 9/10/99.
Motion denied 9/13/99.
Stipulated final judgment filed and entered 2/16/00.
Order closing the case and denying all motions as moot entered 2/16/00.

FTC v. AMERICAN CONSUMER MEMBERSHIP SERVICES, INC., No. 99 CV 1206
(N.D.N.Y.)

Parties: American Consumer Membership Services, Inc.
Darryl Smith

Assigned Attorneys: Robin E. Eichen (NER)
Carole Paynter

Alleged Conduct: Deceptive practices in connection with the telemarketing of advance fee credit cards in violation of Section 5 and the Telemarketing Sales Rule.

Status: Complaint filed 8/5/99.
Motion for preliminary injunction filed 8/6/99.
Preliminary injunction entered 9/8/99.

FTC v. AMERICAN INTERNATIONAL TRAVEL SERVICES INC., No. 99-6943 (S.D. Fla.)

Parties: American International Travel Services, Inc., d/b/a Magic World Tour &
Travel
Silver Lake Resort, Ltd.
Alfred Jugo
A.J. Stanton, Jr.
Lawrence Gilbert

Assigned Attorneys: Katharine Alpine (SER)
Andrea Foster

Alleged Conduct: Deceptive practices in violation of the FTC Act and the Telemarketing Sales Rule in connection with the sale of vacation packages.

Status: Complaint filed and ex parte TRO with asset freeze entered 7/27/99.
Stipulated preliminary injunction entered 8/6/99.

FTC v. AMERICAN UNIVERSAL VENDING CORP., No. 00CV0155A (W.D.N.Y.)

Parties: American Universal Vending Corp., d/b/a Universal Vending, Inc.
466733 Ontario Limited, d/b/a Universal Vending, Inc.
Ontario Corporation Number 1337481 d/b/a Universal Payphone Systems,
Inc.
George Katsoulakis
Constantin Katsoulakis
George Kats

Assigned Attorneys: Robin E. Eichen (NER)
Thomas A. Cohn

Alleged Conduct: Violations of Section 5 and the Franchise Rule in connection with the
marketing and sale of vending machine and payphone business ventures.

Status: Complaint and motion for preliminary injunction filed 2/14/00.

FTC v. AMERITEL PAYPHONE DISTRIBUTORS, INC., No. 00-0514-CIV-
GOLD/SIMONTON (S.D. Fla.)

Parties: Ameritel Payphone Distributors, Inc.
Roy B. Goodman

Assigned Attorneys: Peter Lamberton (BCP/MP)
Karen Leonard

Alleged Conduct: Violations of Section 5 and the Franchise Rule in connection with
marketing and sale of payphone business ventures.

Status: Complaint filed 2/7/00.
Stipulated preliminary injunction filed and entered 2/9/00.

FTC v. AMP PUBLICATIONS, INC., No. SACV 00-112 (C.D. Cal.)

Parties: AMP Publications, Inc.
Computer & Web Publications, Inc.
Ranjit Narayan, d/b/a Nationwide Financial Publications, Inc.

Assigned Attorneys: David O'Toole (MWR)
Patricia Poss
John D. Jacobs (WR-LA)

Alleged Conduct: Violations of Section 5 in connection with the marketing and sale of work-at-home programs.

Status: Complaint filed 2/1/00.
Ex parte TRO with asset freeze entered 2/3/00.
Stipulated preliminary injunction filed and entered 2/14/00.

FTC v. ASQ, INC., No. CV-S-99-915-JBR-RLH (D. Nev.)

Parties: ASQ, Inc., d/b/a Resort World
Frank A. Abatangelo, Jr.
Allan H. Abolafia

Assigned Attorneys: Jerome Steiner (WR-SF)
Blaine Welsh (AUSA)

Alleged Conduct: Deceptive practices in the marketing and sale of vacation travel packages.

Status: Complaint filed 7/21/99.
Ex parte TRO with asset freeze entered 7/23/99.
Stipulated preliminary injunction filed 8/10/99; entered 8/17/99.
Amended complaint adding Allan H. Abolafia as a defendant filed 9/20/99.
Stipulated final judgment (including consumer redress) filed and entered 3/6/00.

FTC v. AST NUTRITIONAL CONCEPTS & RESEARCH, INC., No. 99-WY-2197-C (D. Col.)

Parties: AST Nutritional Concepts & Research, Inc.
Paul Delia

Assigned Attorneys: Mamie Kresses (BCP/AP)
Laura M. Sullivan

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 in connection with the advertising and sale of androgen hormone supplements.

Status: Complaint and stipulated final order for permanent injunction filed 11/15/99.
Hearing on order for permanent injunction held 3/9/00.

FTC v. AUTOMATED SYSTEMS & CONCEPTS INT'L, INC., No. 98-6364 SVW (ANx) (C.D. Cal.)

Parties: Automated Systems & Concepts Int'l, Inc.
Creative Mktg. Concepts, Inc.
Premier Entertainment, Inc.
John R. Munoz
Timothy Munoz
Frank Gale

Assigned Attorneys: Darren A. Bowie (BCP/AP)
Julie Abbate (BCP/MP)

Alleged Conduct: False and deceptive statements, and violations of the Telemarketing Sales Rule, in soliciting investments in partnerships formed to produce infomercials for various products.

Status: Complaint filed 8/7/98.
Preliminary injunction entered 9/9/98.
Stipulated permanent injunctions as to defendants Creative Marketing, Frank Gale, T. Munoz, and Premier Entertainment entered 3/22/99.
Trial as to remaining defendants began 3/30/99; completed 4/8/99.
Stipulated final judgment as to remaining defendants (including over \$11 million in consumer redress) entered 12/29/99.

FTC v. B.B.M. INVESTMENTS, INC., No. C00-0062Z (W.D. Wa.)

Parties: B.B.M. Investments, Inc.
Timothy Ryan Atkinson

Assigned Attorney: Kathryn C. Decker (NWR)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the marketing and sale of purported premium bonds.

Status: Complaint filed and ex parte TRO with asset freeze entered 1/13/00.
Order extending TRO indefinitely entered 2/3/00.

FTC v. BUSINESS SERVICES CENTER, INC., No. SACV-99-1513 DOC (ANx) (C.D. Cal.)

Parties: Business Services Center, Inc.
Central Imaging Systems, LLC
Thomas B. Ford
Prudence C. Ford

Assigned Attorneys: James R. Golder (SWR)
James E. Elliott
Tanya Mayorkas (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of nondurable office supplies.

Status: Complaint filed 12/7/99.
Ex parte TRO with asset freeze entered 12/8/99.
Stipulated preliminary injunction filed and entered 12/16/99.
Motion to strike affirmative defenses of individual defendants filed 2/1/00;
granted 3/17/00.
Motion to strike affirmative defenses of corporate defendants filed
3/14/00.

FTC v. CAPITAL CITY MORTGAGE CORP., Civ. No. 98-237 (D.D.C.)

Parties: Capital City Mortgage Corp. Thomas K. Nash
Eric J. Sanne

Assigned Attorneys: Bradley H. Blower (BCP/FP)
Sandra M. Wilmore
Alain H. Sheer
Laura Berger
Ori Lev

Alleged Conduct: Violations of Section 5, the Truth in Lending Act, the Fair Debt Collection Practices Act, and the Equal Credit Opportunity Act by “subprime” mortgage lender.

Status: Complaint filed 1/28/98.
Defendants’ motion for summary judgment denied 7/13/98.
Defendants’ motion for protective order limiting discovery denied 8/28/98.
Amended complaint adding defendant filed 3/11/99.
Separate motions for partial summary judgment filed by the Commission and the defendants, 1/21/00.

FTC v. CENTURY DIRECT MARKETING, INC., Civ. No. 98-9257-AHM (RCx) (C.D. Cal.)

Parties Century Direct Marketing, Inc. Thomas Adams, III
New Concept Communication, LLC Sven Klein
Christian Hunter Lisa Sultan

Assigned Attorneys: Gary L. Ivens (BCP/MP)
Mercedes Kelley

Alleged Conduct: Making false and deceptive claims in violation of Section 5 in the sale of auction information packages and job opportunity packages.

Status: Complaint filed 11/18/98.
TRO entered 11/19/98.
Preliminary injunction entered 12/11/98.

FTC v. CERKVENIK-ANDERSON TRAVEL, INC., No. CV99-1374-CHX-RGS (D. Ariz.)

Parties: Cerkvenik-Anderson Travel, Inc.
 Andy Anderson

Assigned Attorneys: Nadine S. Samter (NWR)
 Mary T. Benfield
 Suzanne Chynoeth (AUSA)

Alleged Conduct: Deceptive practices in the marketing and sale of vacation travel packages.

Status: Complaint and motion for preliminary injunction filed 7/29/99.
 Hearing on motion for preliminary injunction held 11/15/99.
 Stipulated agreement having the force of a preliminary injunction filed
 12/22/99; entered 12/28/99.

FTC v. CHIERICO, Nos. 98-5290, 99-13250-AA (11th Cir.); Civ. No. 96-1754-CIV-KMM
(S.D. Fla.)

Parties: Michael Chierico Interstate Office Systems, Inc.
Teri Chierico Nationwide Office Products, Inc.
American Business Supplies, Inc.

Assigned Attorneys: Laura J. DeMartino (BCP/ENF)
David R. Spiegel (BCP/MP)
Lawrence DeMille-Wagman (OGC)

Alleged Conduct: Project CopyCat. Deceptive practices in sale of office supplies.

Status:

Complaint filed 6/26/96; ex parte TRO and asset freeze entered 6/28/96.
Preliminary injunction entered 7/8/96.
Stipulated final judgment (with redress \$1 million and bonding requirement) filed 11/13/96.
Motion for an order finding defendants in civil contempt filed 6/22/98.
Ex parte emergency order granting ancillary interim relief entered 6/23/98.
Orders finding defendants in civil contempt of stipulated final judgment entered 6/30/98, 8/12/98.
Notice of appeal (No. 98-5290) from 6/30 and 8/12 orders filed 8/21/98; appellant M. Chierico's brief filed 5/4/99; appellant T. Chierico's brief filed 6/1/99; Commission's brief filed 7/16/99; Chiericos' reply brief filed 8/23/99.
Order holding M. and T. Chierico in contempt of 8/12/98 order, entered 8/31/99.
Motion for stay of 8/31 order pending appeal and notice of appeal (No. 99-13250-AA) from 8/31 order filed 9/2/99; motion for stay granted 9/3/99; Chiericos' brief filed 9/29/99; Commission's brief filed 10/18/99.
Arguments for both appeals held 12/9/99.
Decision affirming in part, vacating in part, and remanding, entered 3/24/00.

FTC v. COMMONWEALTH MARKETING GROUP, INC., No. 98-3330 (3d Cir.);
Civ. No. 98-918 (W.D. Pa.)

Parties: Commonwealth Marketing Group, Inc.
Great Escape Vacations & Tours, Inc.
Frederick F. Zeigler, III
Robert E. Kane
United States (third party defendant)
Jodie Bernstein (third party defendant)
Brenda Doubrava (third party defendant)
Larissa L. Bungo (third party defendant)
Michael Milgrom (third party defendant)

Assigned Attorneys: Brenda W. Doubrava (ECR)
Larissa L. Bungo
Michael Milgrom
John F. Daly (OGC)
Jon Miller Steiger
Albert W. Schollaert (AUSA)

Alleged Conduct: Violations of Section 5 and of the Telemarketing Sales Rule in the marketing of cruises and vacations.

Status: Complaint filed and TRO entered, including asset freeze and appointment of receiver, 5/26/98.
Motion for relief from TRO denied 6/1/98; notice of appeal and emergency motion for stay pending appeal filed 6/1/98; stay motion denied 6/3/98; appeal dismissed 8/18/98.
TRO vacated and interim consent order entered, 6/4/98.
Answer, including counterclaim against individual FTC personnel, filed 11/16/98; amended 11/20/98.
Motion to strike counterclaim jury demand and certain defenses filed 12/9/98.
Motion to dismiss counterclaim filed 1/20/99; motion to dismiss granted in part and denied in part, and motion to strike jury demand and certain defenses granted, by order entered 5/7/99.
Notice of substitution of United States and motion to dismiss filed 5/21/99; opposition filed 6/8/99; substitution and motion to dismiss denied without prejudice, 6/17/99.
FTC motion to reconsider order denying in part 1/20/99 motion to dismiss filed 5/21/99; opposition filed 6/17/99; order denying motion to reconsider entered 6/21/99.
Notice of substitution and motion to dismiss filed 7/9/99; opposition filed 7/26/99.
FTC motion for summary judgment on remaining Bivens damage

counterclaims filed 9/7/99.
Orders denying without prejudice the motion for summary judgment on the remaining Bivens damage counterclaims and denying defendants' motion to extend time to respond to motion for summary judgment, entered to allow settlement, 9/29/99.
Stipulated final judgments granting relief (including consumer redress) as to all defendants and dismissing all counterclaims, filed 3/6/00; entered 3/17/00.

FTC v. COMMUNICATION CONCEPTS & INVESTMENTS, INC., No. 98-7450 (S.D. Fla.)

Parties:	Communication Concepts & Investments Inc. Crown Communications Two, Inc. Global Collections, Inc. Lawrence Levinson	Jordan Levinson Bruce Levinson
Assigned Attorneys:	Elizabeth M. Grant (BCP/MP) Randall Conner Jerome M. Steiner Adam G. Cohn	
Alleged Conduct:	Making false and deceptive claims in violation of Section 5 and violating the 900-Number Rule in the sale of "local singles" matching audiotext services.	
Status:	Complaint filed 12/22/98. FTC's motion to compel discovery filed 6/2/99; granted by order entered 10/13/99. Stipulated final judgment filed 3/2/00; entered 3/3/00.	

FTC v. COMTEL COMMUNICATIONS GLOBAL NETWORK, INC., No. 96-3134-CIV-
Atkins (S.D. Fla.)

Parties: Comtel Communications Global Network, Inc.
International Toy Distributors, Inc.
Marc Zimmerman Philip Berger
Victoria Zimmerman David Silbergleit
Eric Zimmerman Michael Greenberg

Assigned Attorneys: Allen Hile (BCP/MP)
Laurie Meehan
Betsy Broder

Alleged Conduct: Operation Missed Fortune. Deceptive practices and Franchise Rule
violations in the sale of payphone business opportunities.

Status: Complaint filed 11/4/96.
Ex parte TRO, with asset freeze, entered 11/5/96.
Stipulated preliminary injunctions entered 1/7/97 and 1/10/97.
Amended complaint filed and TRO against 3 additional defendants entered
3/14/97.
Motion for civil contempt filed 8/97; contempt order entered as to 3
defendants, 12/19/97.

FTC v. CREDIT NATIONAL, INC., No. CV 99-07989 GHK (CTx) (C.D. Cal.)

Parties: Credit National, Inc.
Mark Wolf, d/b/a Credit America

Assigned Attorney: Thomas Syta (WR-LA)

Alleged Conduct: Deceptive practices in connection with the telemarketing and sale of
advance fee credit cards and lines of credit in violation of Section 5 and the
Telemarketing Sales Rule.

Status: Complaint filed 8/5/99.
TRO entered 8/10/99.
Preliminary injunction entered 8/23/99.

FTC v. CROSS, No. M09CA018 (W.D. Tex.)

Party: Cliff Cross, d/b/a Build-It-Fast

Assigned Attorney: John Hallerud (MWR)

Alleged Conduct: Violations of Section 5 and the Credit Repair Organizations Act in connection with counseling consumers to create a new credit identity.

Status: Complaint filed 2/1/99.
Stipulated preliminary injunction entered 7/29/99.

FTC v. DATA MEDICAL CAPITAL, INC., No. SACV99-1266 AHS (EEEx) (C.D. Cal.)

Parties: Data Medical Capital, Inc., d/b/a DataMed and MedCo
Bryan D'Antonio

Attorneys: Jennifer Larabee (WR-LA)
Linda M. Stock
Janice L. Charter (WR-SF)
Jeffrey A. Klurfeld

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the marketing and sale of work-at-home medical billing opportunities.

Status: Complaint filed 10/14/99.
TRO with asset freeze entered 10/15/99.
Preliminary injunction entered 11/18/99.
Contempt motion for defendants' violations of the preliminary injunction filed 3/8/00.
Hearing on motion for contempt scheduled for 5/8/00.

FTC v. DAVISON & ASSOCS., INC., No. 97-1278 (W.D. Pa.)

Parties:	Davison & Associates, Inc. Thomas Dowler Manufacturer's Support Services, Inc. Barbara Miele	George M. Davison III Gordon M. Davison Barbara Davison
Assigned Attorneys:	Steven W. Balster (ECR) Michael Milgrom Brenda W. Doubrava Albert W. Schollaert (AUSA)	
Alleged Conduct:	Operation Mousetrap. Deceptive practices in the sale of invention-promotion services.	
Status:	Complaint filed 7/15/97. TRO, including asset freeze and appointment of receiver, entered 7/15/97; extended by agreement. Amended complaint adding defendants filed 3/23/98. Stipulated permanent injunction as to defendant Dowler entered 2/22/99. FTC motion for summary judgment filed 4/5/99. Defendants' opposition to summary judgment filed 6/1/99. FTC reply to defendants' opposition to summary judgment filed 6/17/99. Hearing on summary judgment motion held 8/4/99.	

FTC v. DP MARKETING, No. 3:99CV1272 (CFD) (D. Conn.)

Parties:	DP Marketing David Martinelli, a/k/a David Martin Deana Plourde
Assigned Attorneys:	Catherine Harrington McBride (BCP/MP) Steve Gurwitz
Alleged Conduct:	Deceptive practices in violation of Section 5 in connection with a pyramid scheme marketing job opportunities through unsolicited email messages.
Status:	Complaint and motion for ex parte TRO filed 7/7/99. Motion for TRO denied 7/7/99. Preliminary injunction entered 9/23/99.

FTC v. EQUINOX INTERNATIONAL CORP., No. 99-16811 (9th Cir.); No.
CV-S-99-0969-JBR-RLH (D. Nev.)

Parties: Equinox International Corp.
Advanced Marketing Seminars, Inc.
BG Management, Inc.
William Gould
States of Hawaii, Nevada, North Carolina, Pennsylvania, South Carolina,
Maryland Securities Commissioner (co-plaintiffs)

Assigned Attorneys: David Fix (BCP/MP)
Frank Gorman
Gary Ivens
Melvin H. Orlans (OGC)

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and several state
statutes in connection with a pyramid scheme.

Status: Complaint filed 8/3/99.
TRO with asset freeze entered 8/5/99.
Notice of appeal and emergency motion for stay pending appeal filed
8/9/99; FTC opposition to emergency motion filed 8/10/99; appeal
withdrawn, 8/11/99.
Preliminary injunction entered 9/14/99.
Order for class action to intervene entered 11/15/99.
Trial scheduled for 4/3/00.

FTC v. FIRST IMPRESSIONS, INC., No. 99-6941-CIV-DLG (S.D. Fla.)

Parties: First Impressions, Inc., d/b/a Air-Land-Sea Reservation, Inc.
Air-Land-Sea Travel, Inc. John Mark Bundy
Vacations Are Us, Inc. Lloyd Ray McDade
Vacations World, Inc State of Wisconsin
E. Gene Paige James Burns

Assigned Attorney: David O'Toole (MWR)

Alleged Conduct: Deceptive practices in violation of the FTC Act and the Telemarketing
Sales Rule in the sale of vacation packages.

Status: Complaint filed 7/26/99.
Ex parte TRO with asset freeze entered 7/29/99.
Stipulated preliminary injunction filed 8/10/99.
Amended complaint adding defendants Paige and Burns and dismissing

McDade as a defendant filed 9/8/99.

FTC v. FIVE STAR AUTO CLUB, INC., No. 99 Civ. 1693 (S.D.N.Y.)

Parties: Five Star Auto Club, Inc.

Michael R. Sullivan, d/b/a Five Star Automotive Research and
Information Consultants, and Five Star Consultants, Inc.

Angela C. Sullivan

Thomas Lee Bewley

Judy E. Bewley

Advance Funding, Inc.

Assigned Attorneys: James A. Kohm (BCP/MP)
Elizabeth A. Hone

Alleged Conduct: Deceptive practices in offering “free” vehicle leases via internet pyramid
scheme.

Status: Complaint filed and TRO granted, with asset freeze and appointment of
receiver, 3/8/99; TRO extended by orders entered 3/12, 3/26/99.
Stipulated preliminary injunction filed and entered 4/5/99.
Amended complaint adding defendants filed 4/9/99.
Motion for preliminary injunction as to the added defendants filed 5/6/99;
denied without prejudice by order entered 5/27/99.
Defendants’ motion to show cause why preliminary injunction should
not be modified to put individual defendants back in charge of
corporate defendants, filed 11/11/99; denied by order entered
11/24/99.
Motion to compel defendants’ compliance with discovery filed 12/6/99;
order granting motion entered 12/10/99.
Stipulated final judgment as to defendants T. and J. Bewley filed 12/28/99;
entered 1/3/00.
Trial scheduled for 4/24/00.

FTC v. FREECOM COMMUNICATIONS CORP., No. 2-96CV 04925 (D. Utah)

Parties: Freecom Communications Corp.
American Home Business Association, Inc.
Financial Freedom Report, Inc. Dana P. Gull
Silent Salesforce, Inc. Eleva, Inc.
FFR Marketing, Inc. Mark O. Haroldsen
Robert V. Brazell Don S. Gull
Kelly Haroldsen Annette S. Brazell

Assigned Attorneys: David Newman (WR-SF)
Jonathan L. Kessler (ECR)
Michelle F. Killmer

Alleged Conduct: Deceptive practices in the sale of home-based business ventures.

Status: Complaint filed 6/4/96; stipulated TRO entered 6/14/96.
Motion to dismiss denied 4/21/98.
Consent decree and permanent injunction as to Brazell defendants entered 12/28/98.
Stipulated final judgment as to Haroldsen filed 8/10/99; entered 8/11/99.
Order reassigning the case to another judge entered 12/7/99.
Trial scheduled for 9/25/00.

FTC v. GENERAL SUPPLY CENTERS, INC., No. 99-12827 MMM (RZx) (C.D. Cal.)

Parties: General Supply Centers, Inc.
Mark E. Gershick

Assigned Attorneys: Gerald E. Wright (WR-SF)
Raymond E. McKown (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of nondurable office supplies.

Status: Complaint filed and TRO with asset freeze entered 12/7/99.
Stipulated preliminary injunction filed and entered 12/20/99.

FTC v. GILL, Nos. 00-55122, 00-55123 (9th Cir); Civ. No. 98-1436 IH (MCX) (C.D. Cal.)

Parties: Keith H. Gill, d/b/a Law Offices of Keith Gill
Richard Murkey

Assigned Attorneys: Jennifer Larabee (WR-LA)
John D. Jacobs
Raymond E. McKown
Jon Miller Steiger (OGC)

Alleged Conduct: Deceptive practices in the sale of credit repair services.

Status: Complaint filed 3/2/98.
Stipulated preliminary injunction filed 4/21/98.
Motion for summary judgment filed 8/30/99.
Order granting Commission's motion for summary judgment entered
11/4/99.
Notice of appeal filed by Gill, 12/29/99.
Notice of appeal filed by Murkey 1/3/00.
Commission's motion to consolidate appeals filed 3/2/00; granted 3/9/00.
Appellants' briefs due 4/20/00; Commission's response due 5/22/00.

FTC v. GOLD, No. 99-56504 (9th Cir.); No. CV 99-2895-WDK (AIJx) (C.D. Cal.)

Parties: Mitchell D. Gold Patricia Cooley Gold
Herbert Gold Celia Gold
Jonathan Philip Cohen Steven John Chinarian
U.S. Marketing, Inc.
North American Charitable Services, Inc.

Assigned Attorneys: Tracy S. Thorleifson (NWR)
Maxine Stansell
Monica Tait (WR-LA)
Leslie Melman (OGC)

Alleged Conduct: Making false and deceptive claims in violation of Section 5 in soliciting charitable donations.

Status: Complaint filed 11/9/98.
Stipulated preliminary injunction entered 11/25/98.
Motion for contempt of the preliminary injunction filed 2/18/99.
Hearing on contempt motion, 5/10/99.
Defendants M. Gold and North American Charitable Services filed for bankruptcy 5/10/99; North American Charitable Services' bankruptcy petition dismissed 6/9/99; adversary complaint filed by the Commission in response to M. Gold's bankruptcy petition, 8/2/99.
Modified stipulated preliminary injunction resolving the motion for contempt filed 7/16/99; entered 7/29/99.
Notice of appeal of modified preliminary injunction filed by defendants, 8/16/99.
Appeal dismissed by order entered 12/29/99 for failure to prosecute.

FTC v. HI TECH MINT SYSTEMS, INC., No. 98 Civ. 5881 (S.D.N.Y.)

Parties: Hi Tech Mint Systems, Inc.
Ron Depung, a/k/a Thomas DePung and Ron DePuond
Lawrence Lind

Assigned Attorneys: Ronald L. Waldman (NER)
Ann F. Weintraub
Eugene V. Lipkowitz
Rhonda J. McLean
Michael J. Bloom

Alleged Conduct: Misrepresenting the potential earnings and other material aspects of vending machine business opportunities, and violating the Franchise Rule by failing to provide the required documents.

Status: Complaint filed 8/13/98.
TRO entered 9/3/98; extended by stipulation.
Stipulated preliminary injunction entered 11/30/98.

FTC v. HOME PROFESSIONS, INC., No. SACV 00-111 AHS (EEx) (C.D. Cal.)

Parties: Home Professions, Inc.
Telesalescenter.com
Mike Petok

Assigned Attorneys: Rolando Berrelez (MWR)
Theresa McGrew
Patricia Poss
John D. Jacobs (WR-LA)

Alleged Conduct: Violations of Section 5 in connection with the marketing and sale of medical billing employment opportunities.

Status: Complaint filed 2/1/00.
Ex parte TRO with asset freeze entered 2/3/00.
Preliminary injunction entered 2/28/00.

FTC v. INETINTL.COM, INC., No. 99-55791 (9th Cir.); Civ. No. 98-2140-CAS (C.D. Cal.)

Parties: Inetintl.Com, Inc., a/k/a Inet International
 Craig A. Lawson, a/k/a Bob Bryan
 Erik R. Arnesen
 Stanley R. Goldberg, a/k/a Geoff Stevens

Assigned Attorneys: Linda M. Stock (WR-LA)
Russell S. Deitch
Michael S. Fried (OGC)

Alleged Conduct: Deceptive practices in the sale of purportedly profitable business ventures.

Status:

Complaint filed 3/25/98.

TRO with asset freeze and receiver entered 3/26/98.

Stipulated preliminary injunction entered 4/2/98 as to defendant Arnesen.

Preliminary injunction, with asset freeze and receiver, entered 4/3/98 as to remaining defendants.

Stipulated final judgment as to defendant Arnesen filed and entered 8/24/98.

Final default judgment as to corporate defendant entered 9/14/98.

Final default judgment as to defendant Lawson entered 9/28/98.

Motion for summary judgment against defendant Goldberg filed 3/5/99.

Final judgment as to defendant Goldberg entered 4/7/99.

Notice of appeal filed by defendant Goldberg, 4/14/99.

Appeal dismissed by order entered 11/29/99.

Appeal reinstated by order entered 2/11/00.

Appellant's brief due 4/24/00.

Appellee's brief due 5/24/00.

FTC v. INFODIRECT, INC., No. CV-98-9274ABC (Ctx) (C.D. Cal.)

Parties: Infodirect, Inc.
Jason C. McComb
Thomas R. Fletcher

Assigned Attorney: John Jacobs (WR-LA)

Alleged Conduct: Making false and deceptive claims in violation of Section 5 and violating the Telemarketing Sales Rule in the sale of auction information packages and packages relating to foreclosed homes.

Status: Complaint filed and TRO entered 11/18/98.
Stipulated preliminary injunction as to defendants McComb and Infodirect entered 11/30/98.
Stipulated preliminary injunction as to defendant Fletcher entered 12/14/98.
Clerk's default against defendant Infodirect entered 3/5/99.
Application for default judgment by court against defendant Infodirect filed 3/26/99.
Default judgment against defendant Infodirect entered 4/20/99.
Stipulated final judgments as to defendants McComb and Fletcher filed 12/20/99; entered 12/22/99.

FTC v. INNOVATIVE PRODUCTIONS, No. 3-00CV0312-D (N.D. Tex.)

Parties: Innovative Productions
Shane D. Walls

Assigned Attorneys: Judith A. Shepherd (SWR)
Susan E. Arthur

Alleged Conduct: Violations of Section 5 in connection with the marketing and sale of envelope stuffing employment opportunities.

Status: Complaint filed 2/10/00.
Ex parte TRO with asset freeze entered 2/11/00.
Orders to extend TRO entered 2/18/00, 3/14/00.

FTC v. INTELLICOM SERVICES, INC., No. 97-4572 TJH (Mcx) (C.D. Cal.)

Parties: Intellicom Services, Inc., d/b/a Intellicom Group
World Net Development Group, Inc.
Support Staff Administrators, Inc.
Paul Perelman, d/b/a Connectkom Group
Mark V. Nachamkin, a/k/a Mark Nash, d/b/a Enternet Communications
James C. Q. Slaton, d/b/a Home Net Partners
Connectkom Services, Inc. Enternet 2000, Inc.
Riviera Consulting, Inc. Granite Consulting, Inc.
Brookside Management, Inc. Mediatech, Inc.
American Long Distance Corp. Networkworld Consulting, Inc.
Perspective Consulting, Inc. All Administrative Services, Inc.
Prostaff Administrators, Inc. Frontline Consulting, Inc.
Marc D. Levine Ira Itskowitz
Mark Ericson Timothy D. Grayson
David Z. Diamand Eugene Evangelist
Kent Bollenbach Brent Morris
Erica Llanos Dixon Capital Corp.
Greg Harrington Chad Harrington
T.L. Laidlaw James M. Leonard

Assigned Attorney: Jennifer Larabee (WR-LA)

Alleged Conduct: Project Field of Schemes. Deceptive practices and violations of Section 5 and the Telemarketing Rule in the sale of high-tech investment schemes.

Status: Complaint filed, ex parte TRO and asset freeze entered, 6/23/97.
Preliminary injunction against 11 individuals entered 7/14/97.
Preliminary injunction against defendant Diamand entered 7/21/97.
Defaults as to defendants Dixon Capital, Laidlaw, and G. and C. Harrington, entered 12/22/98.
Stipulated final judgments as to defendants Diamond, Grayson, Evangelist, Ericson, Perelman, Nachamkin, and Morris, entered 12/28/98.
Motion for summary judgment as to defendant Bollenbach filed 12/31/98.
Stipulated final judgments as to defendants Llanos, Itskowitz, Levine, and Leonard, entered 1/6/99.
Stipulated final judgment as to defendants Slaton, Frontline Consulting (including telemarketing bans), G. Harrington and Dixon Capital filed 2/22/99; entered 3/2/99.
Application for default as to remaining corporate defendants filed 2/22/99.
Order dismissing defendants Laidlaw and C. Harrington entered 3/2/99.

FTC v. INTERNATIONAL BUSINESS NETWORK, INC., No. CV-99-12831 R (RZx) (C.D. Cal.)

Parties: International Business Network, Inc.
Danny Yahalom
Oren Ben Elkanah

Assigned Attorneys: Brinley H. Williams (ECR)
Gerlad C. Zeman
John D. Jacobs (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of nondurable office supplies.

Status: Complaint filed and TRO with asset freeze entered 12/7/99.
Stipulated preliminary injunction filed and entered 12/20/99.

FTC v. INTERNATIONAL SUPPLY CENTER, INC., No. 99 CIV 12163 (S.D.N.Y.)

Parties: International Supply Center, Inc.
William David Pagano

Assigned Attorneys: Ronald J. Waldman (NER)
Donald G. D'Amato
Michael J. Bloom

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of nondurable office supplies.

Status: Complaint filed 12/20/99.
Default entered by clerk against defendants, 3/31/00.

FTC v. INTERNATIONAL TELEMEDIA ASSOCS., INC., 1-98-CV-1935-JTC (N.D. Ga.)

Parties:	International Telemedia Associates, Inc.	
	Arjuna Diaz	Gerard Robert Engle
	Online Consulting Group, Inc.	David Peterson

Assigned Attorney: Elizabeth A. Hone (BCP/MP)

Alleged Conduct: Unfair and deceptive billing practices and violations of the 900-Number Rule in cramming bills for dating service upon telephone line subscribers and providing audiotext services.

Status: Complaint filed 7/10/98.
Stipulated preliminary injunctions filed 9/9/98 and 9/22/98.
International Telemedia placed into involuntary bankruptcy and trustee appointed, 9/98.

FTC v. J.K. PUBLICATIONS, INC., Civ. No. 99-000-44ABC (AJWx) (C.D. Cal.)

Parties: J.K. Publications, Inc.
Kenneth H. Taves, a/k/a Ken Till, d/b/a Netfill, netfill.com, xbc.com,
N-Bill, Online Billing, Assist Online, Herbal Care, Discreet Bill,
KULM Consulting Group, TAL Services
Gary Neal Mittman, d/b/a Adult Bank, netfill.com, adultbank.com
Maurice O'Bannon, d/b/a MJD Enterprises
Teresa Callei Taves Dennis Rappaport
MJD Services, Inc. Discreet Bill, Inc.
Adult Banc, Inc. Herbal Care, Inc.
Net Options, Inc.

Assigned Attorneys: Douglas Wolfe (BCP/MP)
David Spiegel
Mercedes Kelley

Alleged Conduct: Making false and deceptive claims and engaging in unfair acts or practices
in violation of Section 5 in billing for internet services.

Status: Complaint and motion for TRO filed 1/5/99.
TRO entered 1/6/99; extended by stipulations 1/19, 2/11/99.
Amended complaint adding additional defendants filed 1/20/99.
Claims as to defendant Net Options dismissed by FTC motion, 1/20/99.
Preliminary injunction as to defendants Mittman and Adult Banc, entered
3/10/99.
Preliminary injunction as to defendants J.K. Publications, K. and T. Taves,
and MJD Services, entered 3/16/99.
Order to Show Cause why K. Taves should not be held in contempt for
violating the TRO, entered 4/1/99.
Finding of contempt as to K. Taves entered 5/6/99.
Finding of contempt as to K. and T. Taves entered 5/10/99.
Stipulated final judgment as to defendant Mittman filed 6/8/99; entered
6/10/99.
Motion for summary judgment as to remaining defendants filed
11/29/99.
Opposition to Commission's motion for summary judgment filed
12/13/99.
Commission's reply filed 12/20/99.
Order for default judgment as to defendant Rappaport entered 3/8/00.
Hearing on motion for summary judgment scheduled for 4/3/00.

FTC v. KELLY, No. CV 99 562 RJD (E.D.N.Y.)

Party: Patrick R. Kelly, d/b/a Patrick R. Kelly Enterprises and P.R.K. Enterprises

Assigned Attorneys: Ann Weintraub (NER)
Michael Bloom
Rhonda McLean

Alleged Conduct: Violations of Section 5 and the Credit Repair Organizations Act in connection with counseling consumers to create a new credit identity.

Status: Complaint and motion for preliminary injunction filed 1/29/99.
Preliminary injunction entered 2/10/99.

FTC v. LASER EXPRESS OF TENNESSEE LTD., INC., No. 3-99-1135 (M.D. Tenn.)

Parties: Laser Express of Tennessee Ltd., Inc., also d/b/a Laser Express Limited,
Data Supply International, International Data Supply, Cartridge
Express Limited, International Data Supply Company, and
International Supply Company
Jeff Richfield

Assigned Attorneys: Harold E. Kirtz (SER)
Cindy A. Liebes
Barbara E. Bolton
Leslie Melman (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of nondurable office supplies.

Status: Complaint filed and ex parte TRO with asset freeze entered 12/7/99.
Preliminary injunction with asset freeze entered 12/20/99.
Counterclaim seeking damages filed by defendants, 1/14/00.
Motion to dismiss counterclaim filed 3/16/00.

FTC v. LIBERTY DIRECT, INC., No. Civ. 99-1637 PHX RCB (D. Ariz.)

Parties: Liberty Direct, Inc.
Paul L. Wiggs
David C. Furnia

Assigned Attorneys: Raymond McKown (WR-LA)
Thomas Syta
Monica E. Tait
Tanya Nathan

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection with the promotion and sale of credit card protection services.

Status: Complaint filed 9/13/99.

FTC v. MARKETING AND VENDING CONCEPTS, L.L.C., No. 00 CV 1131 (S.D.N.Y.)

Parties: Marketing and Vending Concepts, L.L.C.
Michael Cavallo

Assigned Attorneys: Carole Paynter (NER)
Michael Joel Bloom
Thomas A. Cohn
Mitchel Jacoby

Alleged Conduct: Violations of Section 5 and the Franchise Rule in the marketing and sale of vending machine business ventures.

Status: Complaint filed and ex parte TRO entered 2/15/00.
Stipulated preliminary injunction filed 3/27/00; entered 3/29/00.

FTC v. MEDIWORKS, INC., No. 00-01079 CAS (MANx) (C.D. Cal.)

Parties: MediWorks, Inc.
MediWorks
MediDistribution, Inc.
United Legal Associates, d/b/a United Medical Associates
Robert D. Seals, d/b/a United Medical Associates and United Legal &
Medical Associates and MediWorks
Tate Stringer, d/b/a United Medical Associates and United Legal &
Medical Associates and MediWorks
Corey Dixon, d/b/a Medipros
Corinna Krueger

Assigned Attorneys: Kerry O'Brien (WR-SF)
Kenneth H. Abbe (WR-LA)

Alleged Conduct: Violations of Section 5 in connection with the marketing and sale of
medical billing employment opportunities.

Status: Complaint filed and ex parte TRO with asset freeze entered 2/1/00.
Amended complaint adding MediDistribution, Inc., United Legal
Associates, MediWorks, and Corinna Krueger as defendants, and
properly identifying United Medical Associates as a d/b/a of
United Legal Associates, filed 2/24/00.
Hearing on order to show cause why defendant Seals should not be held in
contempt for violating the TRO by withdrawing frozen funds,
3/3/00; order requiring defendant to return the withdrawn funds to
the receiver, entered 3/3/00.

FTC v. MEGAKING, INC., No. 00-0513-CIV-LENARD/TURNOFF (S.D. Fla.)

Parties: Megaking, Inc.
Richard Goodman

Assigned Attorneys: Seena D. Gressin (BCP/MP)
Robyn J. Hermann (AUSA)

Alleged Conduct: Violations of Section 5 and the Franchise Rule in connection with the marketing and sale of vending machine business ventures.

Status: Complaint filed and ex parte TRO with asset freeze entered 2/7/00.
Stipulated preliminary injunction filed and entered 2/10/00.
Motion to intervene filed pro se by Ronald Stults, 3/16/00.
Commission's opposition filed 3/31/00.

FTC v. MODERN CONCEPT MARKETING, INC., No. CV99-13003HLH (MCx) (C.D. Cal.)

Parties: Modern Concept Marketing, Inc.
Joseph Moadeb

Assigned Attorneys: Randall H. Brook (NWR)
Jennifer Larabee (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of nondurable office supplies.

Status: Complaint filed and stipulated TRO entered 12/10/99.
Stipulated preliminary injunction filed and entered 2/7/00.

FTC v. MODERN CREDIT FINANCIAL SERVICES, INC., No. 3-99 CV 1756-G
(N.D.Tex.)

Parties: Modern Credit Financial Services, Inc.
Matthew A. Hammack
Robert Hansel

Assigned Attorneys: Gary Kennedy (SWR)
Thomas Carter

Alleged Conduct: Deceptive practices in connection with the telemarketing of advance fee credit cards in violation of Section 5 and the Telemarketing Sales Rule.

Status: Complaint filed and TRO with asset freeze entered 8/5/99.
Stipulated preliminary injunction entered 8/19/99.

FTC v. MORENO, No. CV-99-12837 R (AIJx) (C.D. Cal.)

Party: David Moreno, d/b/a Continental Business Systems and Untied Products

Assigned Attorneys: John D. Jacobs (WR-LA)
Jennifer Larabee

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of nondurable office supplies.

Status: Complaint filed and TRO entered 12/7/99.
Stipulated preliminary injunction filed 12/17/99; entered 12/20/99.

FTC v. MYLAN LABORATORIES, INC., No. 1:98CV031114 (D.D.C.)

Parties: Mylan Laboratories, Inc. Gyma Laboratories of America, Inc.
 Cambrex Corp. SST Corporation
 Profarmaco S.R.L.

Assigned Attorneys: Randall Marks (BC)
 Matthew Meisner
 Susan Pettee
 Bradley Albert
 Michael Kades
 Melvin H. Orlans (OGC)
 Michael S. Fried

Alleged Conduct: Conspiracy to monopolize, monopolization, and attempted monopolization of a drug market, and entering agreements in restraint of trade in violation of Section 5.

Status: Complaint filed 12/22/98.
 Motion to dismiss filed 3/9/99; denied 7/7/99.
 Request for interlocutory appeal denied 8/10/99.
 Discovery scheduled to end 10/23/00
 Trial scheduled for 2001.

FTC v. NATIONAL CARD SERVICES, No. 99-812 (D. Del.)

Parties: National Card Services
 Brian Kent

Assigned Attorney: Stephen L. Cohen (BCP/MP)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the marketing of pre-approved credit cards.

Status: Complaint and consent decree filed 11/26/99; entered 1/24/00.

FTC v. NATIONAL MAINTENANCE SUPPLY, No. 99 C 1057 (N.D. Ill.)

Parties: National Maintenance Supply
Jack Nugent
State of Illinois (co-plaintiff)

Assigned Attorney: John Hallerud (MWR)

Alleged Conduct: Misrepresenting that merchandise had been ordered by consumers in violation of Section 5, and Telemarketing Sales Rule violations.

Status:	Complaint filed by Illinois Attorney General, 2/18/99. Petition to intervene filed by the FTC, 7/2/99; granted 8/19/99. Stipulated permanent injunction (including \$80,000 in consumer redress) filed 2/7/00; entered 2/8/00.
---------	---

FTC v. NATIONAL SUPPLY & DISTRIBUTION CENTER, INC., No. CV-99-12828 HLH
(AJWx) (C.D. Cal.)

Parties: National Supply & Distribution Center, Inc.
Data Distribution Services, Inc.
Steven Rayman
Lee Siegel
Scott Earl
Larry Ellis

Assigned Attorneys: Constance Vecellio (BCP/ENF)
Pablo M. Zylberglait
Sarah L. Knapp
Raymond McKown (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of nondurable office supplies.

Status: Complaint filed and ex parte TRO with asset freeze entered 12/7/99.
Stipulated preliminary injunction filed and entered 12/14/99.
Amended complaint adding Ellis, Siegel, and Earl as defendants and motion for TRO as to the 3 additional defendants filed 1/4/00.
Order granting TRO as to the 3 additional defendants entered 1/7/00.
Stipulated preliminary injunction as to the additional defendants filed and entered 2/18/00.
Motions by defendants Rayman, Siegel, and Ellis to dismiss complaint for failure to state a claim and answer to complaint by defendant Earl, filed 2/18/00.
Order granting motions of Siegel and Ellis and dismissing two counts of the complaint as to defendant Rayman and the corporate defendants entered 3/16/00.

FTC v. PEREIRA, No. 99-1367-A (N.D. Va.)

Parties: Carlos Pereira, d/b/a atariz.com, PremiaNet Corp, Atari Corp, and
piratelynx.com
W.T.F.R.C. PTY LTD., also d/b/a Kewl Photographies, Kool Images,
taboosisters.com, taboohardcore.com, and tabooanimals.com
Guiseppe Nirta
Gregory Lasrado

Assigned Attorneys: Stephen L. Cohen (BCP/MP)
Michael W. Donohue
Mercedes Kelley
Dean C. Forbes (BCP/AP)

Alleged Conduct: Deceptive and unfair practices in violation of Section 5 in connection with
misrepresentations of the content of Web pages containing sexually-explicit
material and the disabling of Internet browser features.

Status: Complaint filed and ex parte TRO entered 9/13/99.
Preliminary injunction entered 9/20/99.
Amended complaint adding Gregory Lasrado as a defendant filed 2/9/00.
Default judgment and permanent injunction as to defendants W.T.F.R.C.
and Nirta entered 2/28/00.

FTC v. P.M.C.S., INC., No. 96-5426 (E.D.N.Y.)

Parties:	P.M.C.S., Inc. Philip T. Bukowski Aqua Marketing Group, Inc. MBC, Inc.	Dennis Harmon Jay Lerner Todd Deming Jason Harmon
----------	---	--

Assigned Attorneys: Gary Ivens (BCP/MP)
Joanna Crane

Alleged Conduct: Project Missed Fortune. Deceptive practices and Franchise Rule violations
in the sale of medical billing software business opportunities.

Status: Complaint filed, TRO and asset freeze entered 11/6/96.
Stipulated preliminary injunction filed 11/25/96.
Motion to add defendants granted by order entered 2/5/97.
Motion for summary judgment granted in part, 9/15/98.

FTC v. QUALITY MAINTENANCE SUPPLIES, INC., No. 99C-7946 (N.D. Ill.)

Parties: Quality Maintenance Supplies, Inc.
 Joanne M. Drobut

Assigned Attorney: Todd M. Kossow (MWR)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of nondurable office supplies.

Status: Complaint filed 12/7/99.
 Ex parte TRO with asset freeze entered 12/18/99.
 Stipulated preliminary injunction filed and entered 1/12/00.

FTC v. RAPP, Civ. No. 99-WM 783 (D. Colo.)

Parties: James V. Rapp, d/b/a Touch Tone Information, Inc.
 Regana L. Rapp

Assigned Attorneys: Laura Mazzarella (BCP/FP)
 Melvin H. Orlans (OGC)

Alleged Conduct: Deceptive and unfair practices in violation of Section 5, arising from the use of “pretexting” to obtain confidential financial information from financial institutions.

Status: Complaint filed 4/21/99.
 Stipulated preliminary injunction filed 5/6/99; entered 5/14/99.
 Motion to dismiss filed 5/19/99; FTC opposition filed 6/18/99; defendants’ reply filed 7/6/99.
 Defendants indicted on criminal charges by the State of Colorado, 6/25/99.
 Defendants filed motion for stay and protective order pending resolution of the criminal proceedings, 7/6/99; motion granted 7/8/99.

FTC v. REVERSEAUCTION.COM, INC., No. 000032 (D.D.C.)

Party: Revereseauction.com, Inc.

Assigned Attorney: Michelle Chua (BCP/FP)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the unauthorized use of the e-mail addresses of an Internet auction site's registered users for the purpose of disseminating unsolicited commercial e-mails.

Status: Complaint and consent decree filed 1/6/00; entered 1/10/00.

FTC v. ROSE CREEK HEALTH PRODUCTS, INC., No. CS-99-0063-EFS (E.D. Wash.)

Parties: Rose Creek Health Products, Inc. The Staff of Life, Inc.
Donald L. Smyth

Assigned Attorneys: Eleanor Durham (NWR)
Lisa Kopchik (BCP/AP)
Jean Sullivan

Alleged Conduct: Violations of Sections 5 and 12 in connection with the advertising and marketing of an alleged nutritional supplement.

Status: Complaint and motion for preliminary injunction filed 3/11/99.
Stipulated preliminary injunction filed 4/21/99; entered 4/26/99.

FTC v. ROTHBART, No. 99-1485-CIV-ORL-18A (M.D. Fla.)

Party: David M. Rothbart, d/b/a Medimax, Inc.

Assigned Attorneys: Darren A. Bowie (BCP/AP)
Karen Jagielski
Anita M. Cream (AUSA)

Alleged Conduct: Violations of Sections 5 and 12 in connection with the marketing of HIV home test kits.

Status: Complaint filed and TRO entered 11/22/99.
Stipulated preliminary injunction filed and entered 12/1/99.
Stipulated final judgment filed 3/17/00; entered 3/22/00.

FTC v. SCREEN TEST U.S.A., INC., No. 99-2371 (WGB) (D.N.J.)

Parties:	Screen Test U.S.A., Inc.	Fred Vanore
	Premier Marketing, Inc. (NJ)	Alice B. McManus
	Premier Marketing, Inc. (CT)	John T. Yannielli
	R.J. Ims Corp.	Richard J. Ims, Jr.
	Tomorrow's Stars, Inc.	Edward J. Bauer
	Showbiz Central of Westchester, Inc.	Angela Ims
	American Child Actor and	Helen J. Bauer
	Modeling Association, Inc.	Thomas J. Yannielli
	JCM Marketing, Inc.	Jeffrey C. McManus
Assigned Attorneys:	Brinley Williams (ECR)	
	Virginia A. Davidson	
Alleged Conduct:	Deceptive advertising and promotion of modeling agency services, in violation of Section 5.	
Status:	Complaint filed, ex parte TRO filed and entered, 5/24/99.	
	Stipulated preliminary injunction as to Tomorrow's Stars, Inc., and both Bauers, filed 6/7/99; entered 6/8/99.	
	Stipulated preliminary injunction as to remaining defendants filed and entered 6/10/99.	
	Stipulated final judgments filed 1/19/00; entered 1/21/00.	

FTC v. SHARED NETWORK SERVICES, No. S 99-1087WBS JFM (E.D. Cal.)

Party:	Shared Network Services, also d/b/a 1 st Page
Assigned Attorneys:	Jerome Steiner (WR-SF) Stephen Cohen (BCP/MP)
Alleged Conduct:	Deceptive practices in the marketing and sale of Internet services.
Status:	Complaint filed 6/2/99. TRO and asset freeze entered 6/3/99. Stipulated preliminary injunction entered 6/7/99.

FTC v. SLIMAMERICA, INC., No. 97-4494 (11th Cir.); No. 97-6072 Civ.-Ferguson (S.D. Fla.)

Parties: SlimAmerica, Inc. Robert Wyman
Frank J. Sarcone, a/k/a Frank Sarcona

Assigned Attorneys: David Spiegel (BCP/MP)
Darren Bowie (BCP/AP)
Leslie R. Melman (OGC)

Alleged Conduct: Deceptive practices in the sale of weight loss pills.

Status: Complaint filed 1/27/97.
Ex parte TRO and asset freeze entered 1/29/97.
Preliminary injunction granted 2/24/97.
Notice of appeal filed 3/97; appeal dismissed 9/15/97.
Judgment for FTC (including \$8.3 million in consumer redress) entered 6/30/99.
Notice of appeal docketed by Sarcone, 8/30/99; Sarcone's brief served 10/27/99; motion to file an untimely brief denied by order entered 11/24/99, effectively terminating his appeal; motion for reconsideration of appeal filed 12/1/99; denied by order entered 1/27/00.
Notice of appeal docketed by Wyman, 8/20/99.
Wyman's brief served 9/23/99.
Commission's brief filed 12/13/99.
Reply brief filed 12/27/99.
Scheduled for argument 5/25/00.

FTC v. SOURCE ONE PUBLICATIONS, INC., No. Civ. 99-1636 PHX RCB (D. Ariz.)

Parties: Source One Publications, Inc.
Courtney Wiggs

Assigned Attorneys: Raymond McKown (WR-LA)
Thomas Syta
Monica Tait
Tanya Nathan

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection with the promotion and sale of credit card protection services.

Status: Complaint filed 9/13/99.
Stipulated preliminary injunction filed 10/8/99; entered 3/10/00.
Defendant Wiggs filed for bankruptcy 11/6/99; adversary complaint filed by defendant Wiggs, 11/13/99; adversary complaint filed by the Commission, 1/14/00.
Default entered against Source One, 2/10/00.

FTC v. SPORICIDIN COMPANY, No. MJG-91-3543 (D. Md.)

Parties: Sporidicin Company, d/b/a Sporidicin International
Robert I. Schattner
T.J. Schattner

Assigned Attorney: Jessica Davidson Miller (OGC)

Alleged Conduct: Deceptive practices in representing the effectiveness of disinfectant products.

Status: Stipulated permanent injunction entered 2/8/93.
Motion to vacate permanent injunction filed 9/30/99.
FTC opposition filed 10/16/99.

FTC v. STAR PUBLISHING GROUP, INC., No. 00 CV 023D (D. Wy.)

Parties: Star Publishing Group, Inc.
Kent Hopkins

Assigned Attorneys: Mary T. Benfield (NWR)
Carol A. Statkus (AUSA)

Alleged Conduct: Violations of Section 5 and the Franchise Rule in connection with the marketing and sale of a work-at-home employment guide.

Status: Complaint filed 2/2/00.
Stipulated TRO filed 2/8/00; entered 3/30/00.

FTC v. STILLWATER VENDING, LTD., No. 97-386-JD (D.N.H.)

Parties: Stillwater Vending, Ltd. Global Locating, Inc.
VendAmerica, Inc. Joel Salvatore
Jeffrey Salvatore

Assigned Attorney: Eileen Harrington (BCP/MP; temporary contact)

Alleged Conduct: Operation Field of Schemes. Deceptive practices and Franchise Rule violations in the sale of vending machine business opportunities.

Status: Complaint filed 8/7/97.
Stipulated TRO entered 8/22/97.
Stipulated preliminary injunction entered 9/9/97.
Amended complaint adding defendants filed 10/97.
Clerk's default against 4 defendants entered 11/97.
Default vacated as to corporate defendants 12/97.
Trial as to corporate defendants indefinitely postponed pending resolution of criminal proceedings, by stipulation filed and entered 1/29/99.

FTC v. STOUT, No. 99-5705 (WHW) (D.N.J.)

Parties: Robert Stout, d/b/a Global Internet Federal Registry, Inc.
Get Out From Under.Com, Inc.
Donald J. Lytle

Assigned Attorneys: Janet M. Evans (BCP/AP)
David P. Frankel
Michael A. Chagares (AUSA)

Alleged Conduct: Violations of Section 5 in connection with the purported sale of Internet registration services.

Status: Complaint filed and ex parte TRO entered 12/8/99.
Stipulated preliminary injunction filed 12/22/99; entered 12/29/99.
Default of defendants entered 2/4/00.
Motion to vacate default filed 2/11/00.
Commission's opposition filed 2/28/00.

FTC v. SWEET SONG CORP., No. 97-4544 LGB (JGx) (C.D. Cal.)

Parties: Sweet Song Corp., d/b/a Windsor & White Trading Co., and Pacific
Wellington Associates
Tsavorite Sword Corp.
Ron Hudson, Inc.
Hari Jiwan Singh Khalsa, a/k/a Stephen Jon Oxenhandler, a/k/a Bob
Thomas
Siri Ram Singh Khalsa, a/k/a William Taylor, a/k/a Phillip Anderson

Assigned Attorneys: Ra'Ouf Abdullah (BCP/FP)
Raymond McKown (WR-LA)

Alleged Conduct: Project Field of Schemes. Deceptive practices and violations of the Telemarketing Sales Rule in the sale of gemstones as investments.

Status: Complaint filed 6/20/97.
Ex parte TRO and asset freeze entered 6/23/97.
Preliminary injunction entered 7/7/97.
Stipulated final judgment and permanent injunction as to corporate
defendants and Hari Jiwan Singh Khalsa (including \$100,000 bond
requirement for future telemarketing by Khalsa) entered 8/20/98.
Stipulated final judgment and permanent injunction as to Siri Ram Singh
Khalsa filed 1/20/00; entered 1/21/00.

FTC v. TARGET VENDING SYSTEMS, L.L.C., No. 00 CIV 0955 (S.D.N.Y.)

Parties: Target Vending Systems, L.L.C.
East West Vending Systems, Inc.
Barry Richman

Assigned Attorneys: Larissa L. Bungo (ECR)
Dana C. Barragate
Brinley H. Williams

Alleged Conduct: Violations of Section 5 and the Franchise Rule in connection with the marketing and sale of vending machine business ventures.

Status: Complaint filed and ex parte TRO with asset freeze entered 2/8/00.
Stipulated preliminary injunction filed 2/22/00; entered 2/29/00.

FTC v. TASHMAN, No. 98-7058 Civ. (S.D. Fla.)

Parties:	Stephen I. Tashman	Stephen M. Mishkin
	Ernest F. Lockamy	Michael S. Dundee
	Harris M. Cohen	Telecard Dispensing Corp.

Assigned Attorneys: Ronald E. Laitsch (SER)
Katharine B. Alphin

Alleged Conduct: False and deceptive claims in violation of Section 5 and the Franchise Rule in soliciting purchasers of vending machines that dispense prepaid telephone calling cards.

Status: Complaint filed and TRO entered 9/29/98; TRO extended by stipulation.
Stipulated preliminary injunction entered 12/21/98.
Commission's motion for summary judgment filed 12/16/99.
Motion denied by order entered 3/2/00.

FTC v. TELECOMMUNICATIONS OF AMERICA, INC., No. 95-693-CIV-ORL-22 (M.D. Fla.)

Parties: Telecommunications of America, Inc.
Barry Taylor

Assigned Attorneys: Nancy Pineless (BCP/MP)
Betsy Broder
David Torok

Alleged Conduct: Deceptive practices in violation of Section 5 and the Franchise Rule in connection with the marketing and sale of pay-per-call business ventures.

Status: Complaint filed 7/7/95.
TRO with asset freeze entered 7/11/95.
Stipulated preliminary injunction entered 8/2/95.
Stipulated final judgment (including consumer redress) filed 3/6/96; entered 3/14/96.
Emergency ex parte application for order to show cause why defendant Taylor should not be held in contempt for violations of the stipulated final judgment, filed 3/16/00.
Hearing scheduled for 4/10/00.

FTC v. THINK ACHIEVEMENT CORP., No. 98-4265 (7th Cir.); No. 2:98 CV12 JM (N.D. Ind.)

Parties: Think Achievement Corp. National Answering Service
 The Answering Service, Inc. The Rosewood Group
 New Age Advertising Corp. H.D. Davidson Advertising Corp.
 Career Advancement Corp. Information Delivery Systems, Inc.
 Patricia A. Harris Harry D. Brankle
 Sena J. Rager Tillwanner "Tee" Jackson
 Ferron F. Harris Steven F. Stucker
 Jill Robinson, a/k/a Jill Carpenter William H. Tankersley
 Linda S. Tankersley
 David Barnack, d/b/a Information Delivery Service

Assigned Attorneys: Gregory A. Ashe (BCP/ENF)
 David Frankel (BCP/AP)

Alleged Conduct: Deceptive practices in the sale of employment program to persons seeking positions with the U.S. Postal Service.

Status: Complaint filed, TRO and asset freeze entered with appointment of receiver, 1/15/98.
 Preliminary injunction as to original defendants entered 2/10/98.
 Complaint amended to add additional defendants and TRO issued as to those defendants, 2/10/98.
 Preliminary injunction as to additional defendants entered 3/31/98.
 Order granting partial stay of compliance with asset freeze, regarding offshore assets, entered 4/9/98.
 Stipulated final judgment as to defendant Stucker entered 10/22/98.
 Order granting motion to amend complaint entered 10/22/98.
 Order denying motion to set aside default as to corporate defendants entered 10/22/98.
 Notice of appeal from order declining to set aside default filed 12/17/98; court of appeals order directing appellant to state why appeal should not be dismissed for lack of jurisdiction entered 1/7/99; appeal voluntarily withdrawn 1/14/99.
 Motion for default judgment filed 12/30/98; withdrawn without prejudice 2/1/99.
 Stipulated final judgment as to defendants P. Harris, F. Harris, Brankle, Rager, Jackson, Barnack, and Robinson filed 5/4/99; entered 6/15/99.
 Commission's motion for summary judgment as to the corporate defendants and W. and L. Tankersley filed 6/8/99.
 Motion for summary judgment granted from the bench, 2/4/00.

FTC v. TRANSWORLD ENTERPRISES, INC., No. 00 8126-CIV-GRAHAM (S.D. Fla.)

Parties: Transworld Enterprises, Inc., d/b/a ATM International
Mark Goldstein, a/k/a Mark Davis
James A. Mackey, Jr.

Assigned Attorney: Collot Guerard (BCP/MP)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Franchise Rule in connection with the marketing and sale of ATM business ventures.

Status: Complaint filed 2/7/00.
TRO entered 2/10/00.
Stipulated preliminary injunction as to defendants Mackey and Transworld filed and entered 2/17/00.
Motion for preliminary injunction as to defendant Goldstein filed 3/31/00.
Hearing on motion scheduled for 4/4/00.

FTC v. UNITEL SYSTEMS, INC., No. 3-97CV1878-D (N.D. Tex.)

Parties: Unitel Systems, Inc., d/b/a Universe of Toys
Robert Kenneth Frisch, Jr. Delaney Leon Hinton
Baljeet S. Anand, a/k/a/ Bill Singh
Harmit S. Anand, a/k/a/ Sonny Singh

Assigned Attorneys: James E. Elliott (SWR)
Susan E. Arthur

Alleged Conduct: Operation Trade Name Game. Deceptive practices and violations of the Franchise Rule in the sale of carousel display rack business ventures.

Status: Complaint filed 8/1/97.
FTC summary judgment motion filed 8/20/98; denied 3/19/99.
Order denying defendants' request for jury trial entered 5/19/99.
Motion for continuance filed and entered 6/4/99.
Stipulated final judgment as to defendants Unitel Systems, Frisch, and Hinton filed 9/3/99; entered 9/7/99.
Stipulated final judgment as to defendants B. and S. Anand filed 2/3/00; entered 2/4/00.

FTC v. U.S. HOTLINE, INC., No. 99-4190 (10th Cir.), 93-C-444B (D. Utah)

Parties: U.S. Hotline, Inc.
Jay Peterson

Assigned Attorneys: John Hallerud (MWR)
Lawrence DeMille-Wagman (OGC)

Alleged Conduct: Deceptive practices in the sale of brochures containing so-called moneymaking opportunities.

Status: Complaint filed 5/10/93.
Stipulated permanent injunction (including \$4 million in redress) entered 6/21/95.
Pro Se appeal of appointment and payment of receiver filed 9/7/99.
Appellants' brief filed 10/27/99.
Commission's brief on jurisdictional issues filed 11/24/99.
Commission's brief on the merits filed 3/17/00.

FTC v. VACATION TRAVEL CLUB, INC., Nos. 96-2269, 98-3838 (11th Cir.); No. 89-219-CIV-FTM-26D (M.D. Fla.)

Parties: Vacation Travel Club, Inc. World Travel Club, Inc.
World Cruise Club, Inc. Harry Powell, Jr.

Assigned Attorneys: Kellie Cosgrove (BCP/FP)
Peggy Twohig
Lawrence DeMille-Wagman (OGC)

Nature of Action: Administration of consumer redress judgment.

Status: Complaint filed 9/25/89.
Stipulated permanent injunction with redress filed 4/13/90.
Order approving distribution of redress entered 1/24/96.
Notice of appeal filed 2/21/96.
Court of Appeals remanded for further consideration of redress claims 3/12/97.
Order approving redress entered 10/21/98.
Notice of appeal filed 12/11/98.
Appellant Vacation Travel Club's brief filed 8/23/99.
FTC's brief filed 9/22/99.
Appellant's reply brief filed 10/11/99.

FTC v. WALLACE, No. 1:98-CV-1404 JTC (N.D. Ga.)

Party: Arshad Wallace, d/b/a Comtel Marketing & Management Systems

Assigned Attorney: Cindy A. Liebes (SER)

Alleged Conduct: Deceptive telemarketing of credit cards, in violation of Section 5 and the Telemarketing Sales Rule, by hired telemarketer.

Status: Complaint filed 5/18/98.
Order compelling discovery and directing defendant to show cause why sanctions should not be imposed entered 5/17/99.
Motion to strike defendant's answer and to enter default judgment filed 8/31/99.

FTC v. WAZZU CORP., No. SACV-99-762-AHS (ANx) (C.D. Cal.)

Parties: Wazzu Corporation
Jayme Amirie
Kenneth Gharib
Kirk Waldfogel

Assigned Attorneys: John Jacobs (WR-LA)
Tanya Nathan

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the marketing and sale of Internet websites.

Status: Complaint filed 6/7/99.
Ex parte TRO entered 6/8/99.
Order approving stipulation to extend TRO and continue preliminary injunction hearing until 8/2/99 entered 6/23/99.
Order approving stipulation to extend TRO and continue preliminary injunction hearing until 11/22/99 entered 7/30/99.
Stipulation to extend TRO and continue preliminary injunction hearing until 2/14/00 filed 9/21/99.
Stipulation to extend TRO and take off calendar hearing on order to show cause why preliminary injunction should not issue filed 1/3/00; granted by order entered 1/4/00.

FTC v. WEBVALLEY, INC. ET AL., No. 99-1071 DSD/JMM (D. Minn.)

Parties: WebValley, Inc.
Profile National Business Directory, Inc.
National Business Directory, Inc.
Protel Advantage, Inc.
U.S. Protel, Inc.
Satya P. Garg
Blaine C. Christofferson
Scott D. Lee

Assigned Attorneys: Evan Siegel (MWR)
Sara Lorber

Alleged Conduct: Violations of Section 5 in connection with the marketing and sale of Internet-related services.

Status: Complaint filed and TRO with asset freeze entered 7/14/99.
Preliminary injunction entered 7/23/99.

FTC v. WEBVIPER, LLC, No. 99-T-589-N (M.D. Ala.)

Parties: Webviper, LLC, d/b/a Yellow Web Services
Tigerhawk, LLC
Thomas J. Counts
Patrick C. Taylor
Richard M. Bogdonas

Assigned Attorneys: Nancy Pineles (BCP/MP)
James A. Kohm

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the marketing and sale of Internet websites.

Status: Complaint and motion for preliminary injunction filed 6/9/99.
Stipulated preliminary injunction filed and entered 6/28/99.

FTC v. WEST COAST PUBLICATIONS, LLC, No. CV-99-04705 GHK (RZx) (C.D. Cal.)

Parties: West Coast Publications, LLC
Gilberto Lopez

Assigned Attorneys: Theresa McGrew (MWR)
Ray McKown (WR-LA)

Alleged Conduct: Violations of Section 5 and the Credit Repair Organizations Act in connection with the sale of file segregation materials.

Status: Complaint filed 4/30/99.
Stipulated TRO entered 5/7/99.
Stipulated preliminary injunction filed and entered 5/26/99.
Stipulated final judgment filed 1/7/00; entered 1/11/00.

FTC v. WILLIAMS, No. H-99-1325 (S.D. Tex.)

Party: John Williams, d/b/a Speed Credit

Assigned Attorneys: W. David Griggs (SWR)
John R. Hoagland

Alleged Conduct: Violations of Section 5 and the Credit Repair Organizations Act in connection with the sale of file segregation materials.

Status: Complaint filed 4/30/99.
Commission's motion for default judgment filed 1/21/00.
Default judgment entered 2/25/00.

FTC v. WILLIAMS, No. 00-01083 WJR (AIJx) (C.D. Cal.)

Parties: Vaughn Williams, III, d/b/a Encore Networking Services
John S. Dickson, a/k/a Charley Yates and d/b/a Encore Networking Services
Warner Green, d/b/a Warner Communications Systems & Company and Encore Networking Services

Assigned Attorneys: Ann F. Weintraub (NER)
Thomas A. Cohn
John D. Jacobs (WR-LA)

Alleged Conduct: Violations of Section 5 in connection with the marketing and sale of medical billing employment opportunities.

Status: Complaint filed and ex parte TRO with asset freeze entered 2/1/00.
Stipulated preliminary injunctions as to defendants Dickson and Green filed and entered 3/3/00.

FTC v. WIN USA SERVICES LTD., No. C98-1614-Z (W.D. Wash.)

Parties: Win USA Services, Ltd.
International Registration Australian Lottery (IRAL) Services Inc.
International Registration Australian Lottery (IRAL) Enterprises Inc.
Michael Ghirra
Bobby Ghirra
Hari Bans Ghirra (relief defendant)
State of Arizona (co-plaintiff)
State of Washington (co-plaintiff)

Assigned Attorneys: Mary Benfield (NWR)
Kevin Bank
Eleanor Durham

Alleged Conduct: Making false and deceptive claims in violation of Section 5, the Telemarketing Sales Rule, and state statutes in connection with the marketing and sale of foreign lottery tickets.

Status: Complaint filed 11/7/98.
TRO entered 11/13/98; extended indefinitely by stipulation, 11/30/98.
Amended complaint, adding relief defendant, filed 4/28/99.
Commission's motion for summary judgment filed 3/7/00.

FTC v. WINDEMERE BIG WIN INTERNATIONAL, INC., No. 98-C-8066 (N.D. Ill.)

Parties:	Windemere Big Win International, Inc.	Alan Silverstein
	Marathon Award Center, Inc.	Michael Levy
	Selvanayagam Pararajasingam	George Ola
	Sunshine Fortuity, Inc.	
	Ernest Levy	

Assigned Attorney: Karen D. Dodge (MWR)

Alleged Conduct: Making false and deceptive claims in violation of Section 5 and the Telemarketing Sales Rule in advertising foreign lottery tickets.

Status: Complaint filed and TRO granted 11/16/98.
Preliminary injunction recommended by magistrate judge, 2/18/99.
Motion for default filed 3/25/99; denied by order entered 4/7/99.
Order granting preliminary injunction entered 9/22/99.
Commission's motion for summary judgment filed 2/11/00.

FTC v. WORLD CLASS NETWORK, INC., No. 97-70239 (9th Cir.); No. SACV-97-162-AHS (EEEx) (C.D. Cal.); No. BC 162 705 (Supr. Ct. L.A. Cnty.); No. 2 Civil B119124 (Cal. Ct. App.)

Parties: Defendants in FTC action:

World Class Network, Inc.	World Class Travel, L.L.C.
Daniel R. DiMacale	Denise L. DiMacale
Robert K.C. Lee	Howard K. Cooper
Jerome L. Goldberg	

Other parties involved in claims to WCN funds:

Errol Abramson	AGI Abramson Group Int'l, Inc.
Union Bank of California, Inc., NA	

Assigned Attorneys: Raymond E. McKown (WR-LA)
Lawrence DeMille-Wagman (OGC)

Alleged Conduct: Operation Trip-Up. Deceptive practices in selling travel tutorial and network marketing kits.

Status: Complaint filed, ex parte TRO and asset freeze entered, 2/28/97.
Preliminary injunction entered 3/11/97.
Petition for mandamus filed 3/14/97; denied 3/17/97.
Stipulated permanent injunction w/redress filed 5/5/97.
FTC's third party claim for assets in Abramson v. WCN (BC 162 705 (Supr. Ct. L.A. Cnty.)) filed 8/11/97; denied 11/7/97.
Abramson's motion for attorney's fees related to third party claim filed 11/13/97; denied 12/3/97.
FTC's notice of appeal of order denying third party claim filed 1/5/98.
Abramson's cross appeal of order denying attorney's fees filed 2/6/98.
FTC's brief filed 9/30/98.
Order staying all briefing pending settlement negotiations entered 7/22/99.
Proposed settlement for related interpleader action filed 10/5/99; entered 10/7/99.
Proposed settlement for California case No. 2 Civil B119124, resolving all redress issues, filed 12/24/99; granted 1/5/00.

FTC v. WORLD INTERACTIVE GAMING CORP., No. CV-98-5115 (E.D.N.Y.)

Parties: World Interactive Gaming Corp.

Jeffrey Burton

Lawrence Blocker, d/b/a James Lawrence & Assocs.

Gregory Flemming, d/b/a Mallory Enterprises, Inc.

Cynthia J. Burton, a/k/a Cynthia J. Mitchell (relief defendant)

Assigned Attorney: Carole A. Paynter (NER)

Alleged Conduct: False and deceptive statements in soliciting investments in the proposed creation and operation of an Internet casino.

Status: Complaint filed 8/10/98.
Stipulated preliminary injunction entered 9/9/98.
Amended complaint, adding defendant, filed 9/23/98.
Further amendment to complaint, adding relief defendant, filed 10/22/98.
FTC motion for contempt filed; hearings held 12/16, 12/21 & 12/23/98,
4/23/99; contempt motion settled 4/23/99.

CIVIL PENALTY AND ENFORCEMENT CASES¹

(A) Consumer Protection

***UNITED STATES v. 21ST CENTURY SYSTEMS, INC.*, No. 00-6219-CIV-UNGARO-BENAGES (S.D. Fla.)**

Parties: 21st Century Systems, Inc.
Sara R. Miller

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of vending machine business ventures.

Status: Complaint filed 2/14/00.

***UNITED STATES v. ALPINE INDUSTRIES, INC.*, Civ. No. 2:97-CV-509 (E.D. Tenn.)**

Parties: Alpine Industries, Inc.
William J. Converse

Assigned Attorneys: Elena I. Paoli (BCP/ENF)
Elizabeth Stein (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of prior FTC consent order.

Status: Complaint filed 12/30/97.
FTC motion for partial summary judgment filed 6/30/99.
Trial began 9/29/99.
Jury ruling in favor of FTC, entered 11/1/99.
Injunction incorporating jury verdict entered 1/12/00.

¹ Includes all suits in which civil penalties are sought; consumer redress, injunctions, and ancillary equitable relief may also be sought.

UNITED STATES v. AMERICAN COIN-OP SERVICES, INC., No. 00 CV 0126 S(M)
(N.D.N.Y.)

Parties: American Coin-Op Services, Inc.
Daryl J. Chase
Craig J. Schieder

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of payphone business ventures.

Status: Complaint filed 2/7/00.

UNITED STATES v. ASTRATEL, INC., No. 00-06215-CIV-ZLOCH (S.D. Fla.)

Parties: Astratel, Inc.
Eugene Rega
Don Manfredonia

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of payphone business ventures.

Status: Complaint filed 2/14/00.

UNITED STATES v. AUTOMATIC MERCHANDISING CORP., No. 00-8142-CIV-LENARD
(S.D. Fla.)

Parties: Automatic Merchandising Corp.
Alan R. Manning

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of display rack business ventures.

Status: Complaint filed 2/14/00.

UNITED STATES v. BLACK, No. 99-1235 (M.D. Fla.)

Party: A. James Black, d/b/a AJB Publishing

Assigned Attorney: C. Steven Baker (MWR)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of Section 5 and the Credit Repair Organizations Act in connection with counseling consumers to create a new credit identity.

Status: Complaint filed 2/2/99.
Complaint voluntarily dismissed 9/27/99; refiled 9/28/99.

UNITED STATES v. BAYER CORP., No. CV 00-132 (NHP) (D.N.J.)

Party: Bayer Corporation

Assigned Attorneys: Louise Jung (BCP/ENF)
Elaine Kolish

Nature of Action: Action for civil penalties, injunctive and other relief for violations of 1985 FTC order barring the making of therapeutic claims for over-the-counter analgesics unless in possession of competent and reliable evidence to support the claim.

Status: Complaint and consent decree filed 1/11/00; entered 2/4/00.

UNITED STATES v. CIGAR FACTORY OUTLET, INC., No. 00-6209-CIV-GRAHAM
(S.D. Fla.)

Parties: Cigar Factory Outlet, Inc.
Osvaldo Padilla
Monica L. Feinstein
Bruce Feinstein

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of cigar vending business ventures.

Status: Complaint filed 2/11/00.

UNITED STATES v. CIGAR MANUFACTURERS OUTLET, INC., No. 00-6210-CIV-
GRAHAM (S.D. Fla.)

Parties: Cigar Manufacturers Outlet, Inc.
Jose Ernesto San Martin
Peter Dilon

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of cigar vending business ventures.

Status: Complaint filed 2/11/00.

UNITED STATES v. CYRK, INC., No. 00 CV 10306 JLT (D. Mass.)

Parties: Cyrk, Inc.
Ty, Inc.

Assigned Attorneys: Susan E. Arthur (SWR)
Thomas B. Carter

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Mail Order Rule in connection with the sale of Beanie Babies merchandise.

Status: Complaint and consent decree filed 2/17/00; entered 2/28/00.

UNITED STATES v. DELTA FUNDING CORPORATION, No. CV 001872 (E.D.N.Y.)

Party: Delta Funding Corporation

Assigned Attorneys: Michele Chua (BCP/FP)
Valerie O'Brien (DOJ/CR)
Marla Tepper (AUSA)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Truth in Lending Act in connection with the marketing of subprime mortgage loans.

Status: Complaint and consent decree filed 3/30/00.

UNITED STATES v. DISCOUNT MANUFACTURING, INC., No. 00-8136-CIV-SEITZ
(S.D. Fla.)

Parties: Discount Manufacturing, Inc.
Karl Marx

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of vending machine business ventures.

Status: Complaint filed 2/11/00.

UNITED STATES v. ELITE BUSINESS DESIGNS, INC., No. 00 CV 0127 A(M) (N.D.N.Y.)

Parties: Elite Business Designs, Inc.
James MacArthur

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of display rack business ventures.

Status: Complaint filed 2/7/00.

UNITED STATES v. EMILY WATER & BEVERAGE CO., INC., No. 4-00-00131-SWH
(W.D. Mo.)

Parties: Emily Water & Beverage Co., Inc.
Nick Labruzzo
Tammy Hankins

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of vending machine business ventures.

Status: Complaint filed 2/7/00.

UNITED STATES v. EQUIFAX CREDIT INFORMATION SERVICES, INC., No. 1:00-CV-0087 (N.D. Ga.)

Party: Equifax Credit Information Services, Inc.

Assigned Attorneys: Helen Foster (BCP/FP)
Annemarie Scanlon Harthun
Elizabeth Stein (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Fair Credit Reporting Act.

Status: Complaint and consent decree filed 1/13/00; entered 1/26/00.

UNITED STATES v. EXPERIAN INFORMATION SOLUTIONS, INC., No. 3-00CV0056-L; (N.D. Tex.)

Party: Experian Information Solutions, Inc.

Assigned Attorneys: Helen Foster (BCP/FP)
Annemarie Scanlon Harthun
Elizabeth Stein (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Fair Credit Reporting Act.

Status: Complaint and consent decree filed 1/13/00; entered 1/20/00.

UNITED STATES v. FORD MOTOR CREDIT COMPANY, No. 99-75887 (E.D. Mich.)

Party: Ford Motor Credit Company

Assigned Attorneys: Sandra M. Wilmore (BCP/FP)
Sally Forman Pitofsky

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Equal Credit Opportunity Act and Federal Reserve Regulation B.

Status: Complaint and consent decree filed 12/9/99; entered 12/14/99.

UNITED STATES v. GREAT PACIFIC VENDING CORP., No. 00-01588 GAF (AIJx)
(C.D. Cal.)

Parties: Great Pacific Vending Corp.
Collie Wainer

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of vending machine business ventures.

Status: Complaint filed 2/14/00.

UNITED STATES v. GREETING CARD DEPOT, INC., No. 00-6212-CIV-GOLD (S.D. Fla.)

Parties: Greeting Card Depot, Inc.
William Moran
Robert Runte

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of display rack business ventures.

Status: Complaint filed 2/11/00.

UNITED STATES v. HILL, No. CV-00-P-0302-5 (N.D. Ala.)

Parties: K.V. Hill, d/b/a Southeastern Photo Supply, Inc.
James D. Carter, d/b/a Southeastern Photo Supply, Inc.

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of display rack business ventures.

Status: Complaint filed 2/7/00.

UNITED STATES v. JUMPING JAVA COFFEE, INC., No. 00-6211-CIV-SEITZ (S.D. Fla.)

Parties: Jumping Java Coffee, Inc.
 Mitchell Berman

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of display rack business ventures.

Status: Complaint filed 2/11/00.

UNITED STATES v. McGLOTHIN, No. 00 0243 PHX EHC (D. Ariz.)

Parties: Douglas C. McGlothlin, d/b/a International Cigar Consortium
 Anthony Simeonov, d/b/a International Cigar Consortium

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of cigar vending business ventures.

Status: Complaint filed 2/9/00.

FTC v. MEGA SYSTEMS INTERNATIONAL, INC., No. 98C 8009 (N.D. Ill.)

Parties: Mega Systems International, Inc.
 Jeffrey Salberg

Assigned Attorneys: Rolando Berrelez (MWR)
 Russell W. Damtoft

Nature of Action: Action for civil penalties and other relief, for violation of FTC consent order requiring, inter alia, payment of \$500,000 for consumer redress.

Status: Complaint and motion for preliminary injunction filed 12/15/98.
 Motion for default filed 4/21/99; entered 4/30/99.
 Salberg filed for bankruptcy, 4/30/99.
 Adversary complaint filed by the Commission, 8/3/99.

UNITED STATES v. MICHAELS, No. 00-079 (D. Del.)

Parties: David Michaels, d/b/a Galaxies, Inc.
M.W. Walley, d/b/a Galaxies, Inc.

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of display rack business ventures.

Status: Complaint filed 2/7/00.

UNITED STATES v. THE NAHDREE GROUP, LTD., No. 00CIV0994 (S.D.N.Y.)

Party: The Nahdree Group, Ltd.

Assigned Attorney: Constance M. Vecelio (BCP/ENF)

Nature of Action: Action for civil penalties, injunctive and other relief for violation of the care labeling rule.

Status: Complaint and consent decree filed 2/16/00; entered 2/18/00.

UNITED STATES v. NATIONAL FINANCIAL SYSTEMS, INC., No. CV-99-7874
(E.D.N.Y.)

Party: National Financial Systems, Inc.

Assigned Attorney: Robin Eichen (NER)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Fair Debt Collection Practices Act.

Status: Complaint and consent order filed 12/1/99; entered 12/6/99.

FTC v. NATIONAL MEDIA CORPORATION, No. CV99-08614-NM (AJWx) (C.D. Cal.)

Parties: National Media Corporation
Quantum North America, Inc.

Assigned Attorneys: Thomas Syta (WR-LA)
Robert Frisby (BCP/ENF)
Jonathan Cowen
Edwin Rodriguez
Elizabeth Stein (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of Section 5 and a 1993 consent order in connection with the marketing, sale, and distribution of a motor oil additive.

Status: Complaint and consent decree filed 8/25/99; entered 12/2/99.

UNITED STATES v. NATIONAL VENDING CONSULTANTS, INC., No. CIV 00 0155
(D.N.M.)

Parties: National Vending Consultants, Inc.
Patrick Abeyta, Jr.
Debra Abeyta

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of vending machine business ventures.

Status: Complaint filed 2/7/00.

UNITED STATES v. NATIONWIDE INDUSTRIAL TECHNOLOGIES CO., INC., No. 99C-8164 (N.D. Ill)

Parties: Nationwide Industrial Technologies Co., Inc. also d/b/a Nation Wide
 Lighting & Supply Company, Inc.
 Darrell J. Clark

Assigned Attorneys: John Hallerud (MWR)
 C. Steven Baker
 Jeremy Feinstein (DOJ/CIV)
 Michele Fox (AUSA)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of
 Section 5 and the Telemarketing Sales Rule in connection with the sale of
 nondurable maintenance supplies.

Status: Complaint filed 12/16/99.

UNITED STATES v. NORTH AMERICAN MARKETING SYSTEMS, INC., No. 00-N-317 (D. Colo.)

Parties: North American Marketing Systems, Inc.
 Patrick Wherley

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the
 Franchise Rule in connection with the marketing and sale of vending
 machine business ventures.

Status: Complaint filed 2/11/00.

UNITED STATES v. OLD DOMINION TOBACCOS, INC., No. 00-6221-CIV-
DIMITROULEAS (S.D. Fla.)

Parties: Old Dominion Tobaccos, Inc.
Neil Young

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of cigar vending business ventures.

Status: Complaint filed 2/14/00.

UNITED STATES v. SANDERS, No. AMD 99-2995 (D. Md.)

Party: Vernon Sanders, d/b/a Consolidated Promotions

Assigned Attorneys: Paul K. Davis (SER)
Nadira Clarke (AUSA)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of Section 5 and the “Cooling Off” Rule.

Status: Complaint filed 10/14/99.

UNITED STATES v. STORY, No. 3-99CV0968-L (N.D. Tex.)

Party: David Story, d/b/a Network Publications

Assigned Attorneys: C. Steven Baker (MWR)
Jill P. Furman (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of Section 5 and the Credit Repair Organizations Act in connection with the sale of file segregation materials.

Status: Complaint filed 4/29/99.

UNITED STATES v. TRANS UNION LLC, No. 00C 0235 (N.D. Ill.)

Party: Trans Union, LLC

Assigned Attorneys: Helen Foster (BCP/FP)
Annemarie Scanlon Harthun
Elizabeth Stein (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Fair Credit Reporting Act.

Status: Complaint and consent decree filed 1/13/00; entered 1/24/00.

UNITED STATES v. UNITED MAINTENANCE SUPPLIES, INC., No. 99C-8163 (N.D. Ill.)

Parties: United Maintenance Supplies, Inc.
Sonia Pisano
Armando J. Piemonte
Daniel Martino

Assigned Attorneys: John Hallerud (MWR)
C. Steven Baker
Jeremy Feinstein (DOJ/CIV)
Michele Fox (AUSA)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of Section 5 and the Telemarketing Sales Rule in connection with the sale of nondurable maintenance supplies.

Status: Complaint filed 12/16/99.
Motion for preliminary injunction filed 3/27/00.

UNITED STATES v. UNITED PAYPHONES OF AMERICA, INC., No. 00-6218-CIV-DIMITROULEAS (S.D. Fla.)

Parties: United Payphones of America, Inc.
Andrew Marcus

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of payphone business ventures.

Status: Complaint filed 2/14/00.

UNITED STATES v. VENDING COMMUNICATIONS, INC., No. 00-00596-CIV-MORENO (S.D. Fla.)

Parties: Vending Communications, Inc.
Interactive Communications Services, Inc.
Alberto J. Susi

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of payphone business ventures.

Status: Complaint filed 2/14/00.

UNITED STATES v. WORLDWIDE COFFEE, INC., No. 00-8137-CIV-GRAHAM (S.D. Fla.)

Parties: Worldwide Coffee, Inc.
Jeffrey M. Salley
Terri Salley

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of coffee vending business ventures.

Status: Complaint filed 2/11/00.

UNITED STATES v. WORLD WIDE VENDING CORP., No. 00-00597-CIV-JORDAN (S.D. Fla.)

Parties: World Wide Vending Corp.
Robin Lafer

Assigned Attorney: Craig Tregillus (BCP/MP)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of the Franchise Rule in connection with the marketing and sale of vending machine business ventures.

Status: Complaint filed 2/14/00.

(B) Competition

(None pending)

SUBPOENA AND CID ENFORCEMENT PROCEEDINGS¹

FTC v. MT. OLYMPUS FINANCIAL, LLC, No. 99-4099 (10th Cir.); No. 2:98-cv-00783 B
(D. Utah)

Parties: Mount Olympus Financial, LLC
Dan Horman
Annette Horman

Assigned Attorney: Michael S. Fried (OGC)

Nature of Action: Action to enforce civil investigative demands.

Status: Petition and order to show cause filed 11/2/98.
Magistrate judge order requiring compliance with CIDs entered 2/12/99.
Order from the bench staying magistrate judge's order pending review by district court.
Order requiring compliance with CIDs entered 5/3/99.
Respondents' motion to stay pending appeal filed in district court, 4/30/99;
Commission's opposition filed 5/4/99; motion denied 9/21/99.
Notice of appeal filed 5/13/99.
Respondents' brief filed 8/30/99.
Motion for stay pending appeal filed by respondents in Court of Appeals, 9/23/99; Commission's opposition filed 9/28/99; motion denied, 9/28/99.
Commission's brief filed 9/28/99.
Reply brief filed 10/19/99.
Argument held 3/8/00.

¹ Includes suits to enforce compliance with waiting periods prescribed by Section 7A of the Clayton Act, 15 U.S.C. § 18a.

SUITS TO ENJOIN FTC ACTION AND OTHER DEFENSIVE LITIGATION

ALPINE INDUSTRIES v. FTC, No. 99-5844 (6th Cir.); No. 2:97-CV-375 (E. D. Tenn.)

Party: Alpine Industries

Assigned Attorneys: Elena I. Paoli (BCP/ENF)
Jon Miller Steiger (OGC)
Elizabeth Stein (DOJ/CIV)
Peter Maier

Nature of Action: Action for declaratory judgment regarding Alpine's alleged compliance with prior consent decree.

Status: Complaint filed 9/5/97.
Order dismissing case for lack of jurisdiction entered 9/28/98.
Plaintiffs' motion for reconsideration filed 10/13/98; denied 6/10/99.
Notice of appeal filed 6/21/99.
Appeal dismissed by order entered 9/22/99 for appellant's failure to file brief on time.
Appellant's brief filed and appeal reinstated 10/21/99.
Commission's brief filed 11/22/99.
Appellant's reply brief filed 12/6/99.

PETERSON v. MARTIN, No. 99 4243 (10th Cir.); No. 2:98CV00709K (D. Utah)

Parties: Jay H. Peterson (Plaintiff)
Sandra Lopez (Plaintiff)
Mike Martin (Defendant)
Deborah Martin (Defendant)
Federal Trade Commission (Defendant)

Assigned Attorneys: Lawrence DeMille-Wagman (OGC)
John C. Hallerud (MWR)
C. William Ryan (AUSA)

Nature of Action: Action for damages, invoking various tort theories, the Tucker Act, and the Privacy Act.

Status: Filed as adversary proceeding in bankruptcy court, 8/26/98.
FTC motion to withdraw adversary proceeding and to dismiss filed 9/28/98.
Adversary complaint filed by Peterson, 1/29/99.
District court order withdrawing proceeding from bankruptcy court, entered 5/14/99.
District court order referring case to magistrate judge entered 7/8/99.
Order of reference to magistrate judge withdrawn 7/19/99.
District court judge recused and matter reassigned, 8/16/99.
Order dismissing the case entered 10/27/99.
Notice of appeal filed by Peterson 12/17/99.
Appellant's brief filed 1/20/00.
Commission's brief filed 3/13/00.

AMICUS CURIAE BRIEFS or PARTIAL INTERVENTIONS

IN RE VAN BLARCUM, No. 13-99-281-CV (Tex. App.)

Assigned Attorney: Leslie R. Melman (OGC)

Nature of Action: Petition for mandamus seeking to vacate order staying litigation and requiring arbitration of claims arising under the Magnuson-Moss Warranty Act.

Status: Amicus brief supporting petition for mandamus filed 6/8/99.
Argued 6/30/99.
Referred to court en banc, 2/17/00.

WILSON v. RENTAL RESEARCH SERVICES, INC., No. 97-4386 (8th Cir.)

Assigned Attorney: David C. Shonka (OGC)

Nature of Action: Appeal from the dismissal of a complaint alleging violations of the Fair Credit Reporting Act

Status: Panel opinion, reversing dismissal order in part, issued 1/19/99.
Rehearing en banc granted 7/16/99.
FTC amicus brief opposing the district court's summary judgment in favor of Rental Research Services, Inc. filed 8/12/99.
En banc argument held 9/13/99.
Equally divided en banc court affirmed the district court's ruling for summary judgment, 3/15/00.